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Develop Israel with Israel Bonds

MARGINAL COLUMN

By ARTHUR SAUL SUPER

WHERE does one look to find the courage of a people? In the heat of battle men may show themselves brave because they are lacking in imagination, because they are infected by the excitement of combat, by the spirit of their comrades, by the kind of mass hysteria which loses as many battles as it wins. If peace has her victories too, one of the reasons is that the courage that is shown day by day is demonstrably of a higher order; for courage is the power to overcome difficulties, to carry on unflinching before the certainties of disaster of which so much of life is composed, to bear the drudgery of monotony that is all life holds for so many and not become degraded, to remain fresh and human in the highest sense of the word. All this is part of the courage of life which is the witness to that spirituality which marks man off from the beast. But there is also an intermediate form of existence which is neither peace nor war, which is a state where tensions are always at their highest, where uncertainties are at their darkest, where the future holds nothing but constant menace, where demands on one's fortitude and endurance never slacken, where each achievement in the face of all these things produces neither relaxation nor surcease but only greater menace and more exacting demands. It is in such an environment that the highest forms of human courage are to be found and it is in precisely such an environment that Israel has lived ever since the state was created, except for the actual period of the War of Independence and the few stirring days of the Sinai Campaign.

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WHEN Prime Minister David Ben-Gurion spoke to the Knesset yesterday he spoke as more than the holder of his office. To be a statesman and a leader of the nation in Israel has held little or nothing of the glamour and rewards which are the compensation of those who stand at the head of affairs in more powerful and less harried nations. It means to wage a dangerous struggle for sheer survival between two rival blocs in a small, unstrategic territory surrounded by inveterate enemies with none of the major political cards which help other beleaguered nations to feel some measure of confidence. And yet the game goes on without faltering or flinching. This it courage, and it is more than a reflection of the personal courage of the leaders. It is a composite of the individual courage of a people; of the new immigrants striving to integrate and never finally despairing, of the child from the Oriental community struggling to hold his own in an unfamiliar school, of the pioneer trying in his lonely outpost to cling to his ideals in spite of all the patent temptations to disillusionment and despair, of the citizen digging in his heels, grumbling yet finding the will to sacrifice to finance the new immigration and the new burdens of defence.

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WHAT are the basic springs of this kind of courage? They are to be sought in the spiritual stuff which is at the root of the life of humanity. In most peoples this is something hidden and rarely drawn upon, for the casual stream of ordinary life does not continuously make calls upon it. But for the Jew there have rarely been more than a few continuous years in which he has not been forced to draw upon his spiritual resources in order to meet the challenge of the menace of destruction. This is almost equally so when he lived in his ancient commonwealth or in the long dark millennia of exile. And to a power has been built up which is almost irresistible and indestructible. It is not exclusive to the Jewish people. It is simply a synthesis of the power of the ordinary man challenging humanity to be human. And the world must react positively to this. That is why Israel is really not alone even in its present apparent isolation.

Jerusalem, October 22.

Satellite Scoreboard

The Soviet earth satellite will have circled the world more than 258 times by 5 a.m. (Israel time) today, TASS reported from Moscow yesterday.

The "moon" will have travelled a total of 11 million kms.

U.S. AGRICULTURE SECRETARY DUE HERE

WASHINGTON, Monday (UP). — Secretary of Agriculture Ezra T. Benson announced today that he and two of his daughters will leave tomorrow on a four-week trip around the world. They will visit Israel from November 4 to 5, coming from Jordan.

Harding Quits Post in Cyprus; Foot Named

LONDON, Tuesday 1.30 a.m. (Reuter). — Field Marshal Sir John Harding, Governor and Commander-in-Chief of Cyprus, will relinquish his post next month, it was officially announced today.

He will be succeeded by Sir Hugh Foot, Governor of the West Indies island of Jamaica. Sir Hugh was Colonial Secretary of Cyprus from 1943 to 1947.

An official announcement said that Field Marshal Harding was relinquishing his appointment on the expiry of the period for which he accepted the post.

It added that the new Governor will take up his new duties "about December 1."

Political quarters said the Cyprus change was an administrative one and it did not imply that the British Government considered there was no longer any threat to the internal security of the island. But there was speculation that the appointment of a new governor might mean that some of the existing emergency regulations will be relaxed.

The Field Marshal had already abandoned some of the restrictions.

The terrorist action opened in April, 1955, and by the time EOKA declared a truce last March an estimated 357 people — British and Cypriot Greeks and Turks — had been killed and more than 1,000 wounded in the two-year calendar of death, riot, ambush and destruction.

(Sir Hugh Foot is known in Israel, for he served as Administrative Officer in the Palestine Government from 1929 to 1937, and was Assistant British Resident in Transjordan from 1939 to 1942. In Palestine he was Junior Assistant Secretary, and acted as Magistrate, and later Private Secretary, to the Officer Administering the Government. He served as District Commissioner in Nazareth, Nablus and elsewhere.)

75 DEAD IN TURKISH RAILWAY DISASTER

ISTANBUL, Monday (Reuter). — Seventy-five persons are known to have been killed and 100 injured in a collision between the International Simplon Orient Express and a local train in Turkish Thrace last night.

Unofficial estimates indicated the death toll ma be as high as 85. Railways official said that not all the debris had been cleared and further bodies might be recovered.

The Simplon Express, one of Europe's most famous international trains, was heading for Salonika. The local train was on the way to Istanbul from Edirne, where the line is a single track.

Many Jews Reported Returning to Morocco

NEW YORK, Monday (INA). — Emigration of Jews from Morocco to Israel has decreased considerably in the last two months, although the Moroccan Government has relaxed its passport restrictions, "The New York Times" reported from Rabat today.

In fact, more than 3,500 Jews out of an estimated total of 30,000 who fled the country, returned to Morocco in recent months, the paper said, quoting responsible Jewish leaders in the Moroccan capital. An additional 2,000 Jews who left for Israel were reported waiting in Marseilles for permission to re-enter Morocco. Most of them had left Morocco by "underground railroad" without passports.

The Moroccan Minister of Interior, Idris Hamedi, said yesterday that he has not yet received an official request for passports for the 2,000 But he added that individual requests would receive "sympathetic attention" when they are submitted to the proper authorities. He emphasized, however, that the Government would take particular care not to readmit Zionist recruiting agents.

He denied reports from Paris that Jews had been barred from going abroad for health and business reasons. Jewish leaders in Rabat confirmed that since August travel restrictions for Moslems as well as Jews have been relaxed, and that Jews now can obtain passports to go anywhere.

Adin and Ziva Talbar (Theilhaber)

take pleasure in announcing the birth of their daughter

Elia

Montreal, Canada.

Syria Coy Towards Saudi Mediation Bid

Saudi Arabia yesterday officially announced that both Turkey and Syria had accepted an offer by King Saud to mediate between the two countries, but up to a late hour last night Syria still could not make up its mind whether it had done so.

While Saudi announcements issued simultaneously at the Saudi Embassy in Washington and in Jedda, said that both countries had agreed to the monarch's efforts to effect a conciliation between them, only Turky officially confirmed her acceptance.

Syria, after early denials, through her Embassy in Washington finally confirmed the Saudi statement. Shortly after, however a spokesman of the Syrian delegation at the U.N. in New York said reports of Syrian acceptance are "not in conformity with facts." Thereupon the Embassy in Washington immediately retracted its earlier announcement, declaring: "The Embassy of Syria wishes to state that it denies any statement attributed to it about mediation between Syria and Turkey."

Nor was there any Syrian confirmation of reports that its Chief of Staff, General Afif Bizri, had already flown to Saudi Arabia for talks with King Saud.

Observers in Damascus and Ankara, and in the West, were of the opinion that Syria had agreed to the talks but was not inclined to admit her acceptance openly and considered the Saudi announcement "indisrceet."

Saudi Announcement

The official Saudi announcement said that both the Syrian and Turkish delegations will arrive in Dammam for discussions "within two days." It added that the Turkish delegation will be headed by the Minister of Information. Dammam is on the Persian Gulf coast just north of Dhahran, where the U.S. Air Force maintains a large base.

The announcement added that King Saud was undertaking the mediation "in the hope that the effort will be successful in establishing peace and tranquillity and security in this important part of the world."

Informed sources in Beirut said yesterday they believed that both nations had accepted the Saudi offer after President Camille Chamoun of the Lebanon had urged them to do so.

News of the mediation offer was first made on Sunday night by Mecca Radio.

Meanwhile, reports from Ankara said that Turkey had formally approached Egypt and asked for a relaxation of the anti-Turkish campaign in the Egyptian press.

(UP, Reuter)

U.S., Turkish Envoys See Rifai in Amman

AMMAN, Monday (UP). — The U.S. and Turkish Ambassadors to Jordan discussed the Turco-Syrian crisis with Foreign Minister Samir Rifai today.

Two days ago the two envoys, together with the British Ambassador, met with King Hussein, who warned them that Jordan considers any aggression against Syria as aggression against itself.

SOVIET AIRFIELD NEAR SAN'A

NEW YORK, Monday (INA). — The "New York Herald-Tribune" reports today that Soviet technicians are building a military airport near San'a, the capital of the Yemen.

It also said that Russian arms are being distributed to Yemeni tribesmen at Beidha, near the Aden border.

U.N. Meets Today On Syrian Plaint

NEW YORK, Monday (Reuter). — The U.N. General Assembly was today called into session for tomorrow (9 p.m. Israel time) to debate the Syria-Turkey dispute.

Turkey-Syria Crisis Eased, Nehru Sees

NEW DELHI, Monday (Reuter). — Premier Nehru said today the possibilities of war in the Middle East have "rather faded." He told a press conference the Turkish-Syrian situation has eased considerably.

Mr. Nehru added that the situation had shown that Arab nationalism was stronger than the Baghdad Pact.

Asked if he thought arms supplies to the Middle East, including Pakistan, should be stopped, Mr. Nehru said "I would welcome the stoppage of arms supplies all round. I think the time is coming rather rapidly when all these arms will be pretty useless."

In New York, meanwhile, the Indian Defence Minister, Mr. V. K. Krishna Menon, conferred today with key U.N. delegates on the tense situation between Syria and Turkey.

He saw together Mr. Vasily Kuznetsov, Soviet Deputy Foreign Minister, Farid Zein e-Din, deputy leader of the Syrian delegation, and Omar Lutfi, Egypaian permanent representative. No details of the conference were forthcoming.

India already has been mentioned as a possible member of any inquiry commission which might be dispatched by the General Assembly to the troubled border.

As far as could be established today, however, although the commission idea was being actively canvassed, there was still nothing on paper.

Cairo Meeting Prepares Afro-Asian Conference

CAIRO, Monday (Reuter). — Delegates from 20 countries met here today to prepare for an Afro-Asian solidarity conference in December.

The meeting elected Colonel Anwar Sadat, a Deputy Speaker of the Egyptian Assembly, as Chairman.

The agenda includes discussion on Syria, Algeria, Oman and the banning of nuclear tests.

The countries taking part are Jordan, Syria, Lebanon, Iraq, Egypt, Tunisia, Libya, China, Mongolia, Vietnam, the Soviet Union, Turkey, Burma, Japan, Cambodia, India, Indonesia, Afghanistan, Algeria and the Cameroons.

Israel Car Blasted Near Gaza Strip

An Israel vehicle ran over a mine on Sunday evening on the unpaved road between Nir Yitzhak and Kerem Shalom, opposite the Gaza Strip south-east of Rafah, the Army spokesman announced yesterday. There were no casualties.

The road is in daily use and another unexploded plastic mine was found nearby.

Urges U.N. Plan for Mid East

CANBERRA, Monday (Reuter). — A new high-level bid by the U.N. for a lasting settlement in the Middle East was proposed today by Premier Robert Menzies.

Addressing the Federal Liberal Party Council, he said, "A vicious circle of frictions and reactions have developed which will have to be broken."

He advocated the formation of an international body to advise Middle East countries on economic problems and put forward a six-point plan for the Middle East. This advocated:

- **A final and guaranteed settlement of the Arab-Israel border dispute.**
- **A settlement of the refugee problem.**
- **Economic aid for needy Mid-East countries without strings, and by genuine international cooperation.**
- **Promotion of peaceful trade.**
- **The recognition and extension of the civil and economic aspects of the Baghdad defence pact.**
- **Cooperation and international guarantees for the development of the areas oil resources, instead of international competition.**

In Ottawa, Mr. Lester Pearson, former Canadian External Affairs Minister, said that a U.N. force situated along the Syria-Turkey border would reduce the danger of a new flareup in the Middle East.

Mr. Pearson, winner of the 1957 Nobel Peace Prize, was instrumental in helping to create the U.N. Emergency Force, now patrolling the Gaza Strip and Sinai borders.

AFTER MIDNIGHT

The new Israel Minister in Prague, Mr. Shmuel Bendor, pledged yesterday that he would try to improve relations with Czechoslovakia when he presented his credentials to President Antonin Zapotocky.

A Memorial Service

will be held on Thursday, Oct. 24, 1957, at 3.30 p.m. at the Kiryat Shaul Cemetery, Tel Aviv, at the graveside of our dear

Arieh (Cornel) Lahav ז"ל

who fell a year ago on the Sdom Road.
Buses will leave 14 Rehov Adam Hacohen, Tel Aviv, at 3 p.m.

THE FAMILY

4 of 5 British Warships Cancel Visit to Israel

Jerusalem Post Bureau

TEL AVIV, Monday. — The visit to Haifa of five British warships, which were, to have arrived on Thursday, has been cancelled and only one vessel will now call, the British Embassy announced today. This will be the HMS Solebay, an "Early-class" destroyer, built in 1954.

The Embassy announcement said, "While preserving the action of H.M. Government for ships of the Royal Navy to pay friendly visits to Israel, the visit of only one vessel will avoid any misunderstanding to which the presence of a larger number of ships might, owing to the prevailing state of tension in the area, have given rise."

The courtesy visit of the five ships to Haifa was planned in August and arranged with the Israel authorities in September. It fell within the pattern of courtesy visits which British ships have been paying to various Mediterranean ports in recent months the Embassy announcement stated.

It is understood that the Israel Foreign Ministry has informed the British Government that, in view of the international situation it understands the necessity of cutting down the number of visiting ships.

The British decision follows the violent Soviet press and radio campaign in which the visit of the British ships to Israel was linked with alleged American and Turkish aggressive plans against Syria.

Earlier today in London, a Foreign Office spokesman told correspondents that he knew of no intention to cancel the visit to Israel of any of the five British warships.

Coty Seeks to Mend Party Cleavage

PARIS, Monday (UP). — President Rene Coty asked the two leaders of the nation's biggest non-Communist parties today to cast aside their bitter differences and agree on a programme and a man to end France's gravest postwar political crisis.

M. Coty called in Socialist Guy Mollet and Conservative Antoine Pinay tonight in a major attempt to reach a compromise in the crisis that is now entering its fourth week.

He did so after former Premier Robert Schuman, of the Christian Democrat (MRP) Party, told M. Coty this morning that he would not attempt to form a government. M. Schuman said such a task was virtually impossible as long as the nation's political parties remained so bitterly divided.

He also gave M. Coty a plan that included recommendations on how to end the depending financial crisis that is putting France on the verge of bankruptcy. M. Schuman studied the financial problems over the weekend after being sent on a "mission of information" by M. Coty.

The President showed the document to both M. Mollet and Pinay, apparently in the hope of impressing them with the nation's financial plight so they would come to agreement.

Egypt Denies Plan For East German Ties

BONN, Monday (Reuter). — A spokesman of the Egyptian Embassy in Bonn denied that Egypt had decided to recognize East Germany.

A press report here had quoted the Cairo evening paper, "Al Kahira," as saying the Egyptian Government would establish diplomatic relations with East Germany.

Mid-East Tension Now Caused By Forces Outside Region, B-G Says

P.M. Voices Concern in Knesset

Jerusalem Post Staff

"I cannot help feeling profound concern at the increased tension in the world as a whole and in our area in particular, whether it is connected with the despatch of the (Soviet) satellite or not," Mr. David Ben-Gurion, the Prime Minister, told the Knesset yesterday afternoon. The Premier made his statement at the reconvention of the House after the summer recess.

Mrs. Golda Meir, the Foreign Minister, was taken ill yesterday and is expected to made her scheduled statement this afternoon, after which the foreign policy debate will be opened.

The House was about three-quarters full and the galleries packed with visitors for the first Knesset session after the 11-week recess. Grounds har formed outside the building on King George Avenue as the President and Mrs. Ben-Zvi arrived by car to attend the session.

Mr. Ben-Gurion, who had referred to the satellite as "the most important event since the Knesset last met," also said later that while the situation in Syria specifically gave cause for concern, there was "no reason for panic."

Strong Outside Forces

In his analysis of the situation, which dealt rather with the general background to present development than to present developments than with any specific events, the Prime Minister said that the most important change that had taken place in the Middle East during the past two years was that now tension was no longer caused by regional political forces but mainly by powerful external forces, so that "only parallel and complementary world forces can reduce this tension."

It was observed that he went out of his way, nevertheless, to reiterate Israel's established foreign policy of desiring peace and friendship with every country, whatever its internal regime, because this policy was based on "historical facts," and particularly that this country is not solely the country of its present inhabitants but the homeland of every Jew who wishes to come here.

He noted the assistance that had been received by Israel "first and foremost from the United States and France," and also the aid that had been given by Israel to newly emerging countries in Asia and Africa, and that close ties of friendship were being developed with these.

He expressed "regret and astonishment" that the Nehru Government of India, which stood for the strengthening of peace between all nations,

(Continued on Page 3 Col. 4)

Ben-Zvi Certain Of Re-election

Mr. Itzhak Ben-Zvi and Prof. Yosef Yoel Rivlin were formally declared candidates for President yesterday by Mr. J. Sprinzak, Knesset Speaker.

Mr. Ben-Zvi is certain to be re-elected by an overwhelming majority when the Knesset holds its vote next Monday. He was proposed by 33 M.K.s. representing all the coalition parties as well as the General Zionists and Poalej Agudat Yisrael. Prof. Rivlin was proposed by the Herut party.

U.K. Atom Chief In Macmillan's Party

U.K. ATOM — P. 1 SAAD

LONDON, Monday (Reuter). — Britain's atomic energy chief, Sir Edwin Plowden, and the permanent head of the Defence Ministry, Sir Richard Powell, will be the main advisers accompanying Washington tomorrow night for his talks with President Eisenhower, it was disclosed today.

The choice of these officials gave strength to the view that cooperation by the U.S. and Britain to counter Russia's current scientific triumphs will be a main issue of the conference.

Other officials going with Mr. Macmillan are Sir Norman Brown, Secretary to the Cabinet, and the Foreign Office Deputy Under Secretaries, one of whom is Sir William Hayter, former Ambassador to Moscow.

The Foreign Office men will reinforce Foreign Secretary Selwyn Lloyd in discussions on the second major topic — Russia's "war of nerves" over Syria and Turkey. Mr. Lloyd is already in the U.S.

With Sputnik throwing out its challenge at them from outer space, the Western statemen are certain to plan ways of removing the barrier that for years has kept British and American scientists apart.

British experts have no doubt that, had it not been for the McMahon act, barring exchange of military atomic secrets, a man-made moon with the stamp of the Western alliance on it would also by this time be circling the earth.

650,000 New Yorkers Cheer Elizabeth

UNITED NATIONS, Monday (Reuter). — Queen Elizabeth said today that the U.N. is "still far from the achievement of the ideals" of its founders, but the peoples of the world expect it to persevere in its efforts.

Addressing the General Assembly, she pledged the Commonwealth to "continue to add to the U.N. a tried element of strength and of accumulated experience."

New York gave Queen Elizabeth the biggest, warmest reception of her American tour today. It showered her with rainbw-hued ticker-tape as sshe rode up Broadway and after her at a sumptuous official luncheon.

Police Commissioner Stephen Kennedy said more than 650,000 persons cheered her from the curbside as she made a triumphant progress by car up Broadway from the Battery to City Hall.

In Washington, the White House Press secretary, Mr. James Hagerty, said today Queen Elizabeth had not extended a formal invitation to President Eisenhower to visit Britain. (Reuter, UP)

Dulles is Still Loth To Act with Britain

BY JESSE ZEL LURIE,
Jerusalem Post Correspondent

NEW YORK, Monday. — Queen Elizabeth is departing tonight, and Prime Minister Harold Macmillan is arriving tomorrow to see if the warm-hearted friendship with which the American Government and people greeted the British monarch cannot be followed by Anglo-American unity in the Middle East.

Dana Adam Schmidt, writing from Washington in "The New York Times" this morning, said that the chances are slim for a publicly announced Anglo-American policy. "One year after Britain's attack on Suez, the State Department still finds the British embarrassing partners in the Middle East," he wrote.

Mr. Macmillan is expected to point out, however, that the situation in the Middle East would have been radically different had the British and Americans succeeded in working out a firm policy on the Suez Canal prior to the attack.

The American policy of going it alone with the Eisenhower Doctrine has proved worse than useless. The time has come for an effective joint Anglo-American policy to be publicly announced to prevent Russia from making further inroads, the British Prime Minister is expected to tell Secretary of State Dulles.

According to Mr. Schmidt, all Mr. Dulles is considering by way of a new approach in the Middle East is the refurbishing of regional economic development assistance, as outlined in his August, 1955 address, and the de-emphasizing military aid against Communism, on which the Eisenhower Doctrine was based.

"Business Week" points out that the smartest diplomacy is needed to counteract the Soviets, who are leading from a position of strength. The magazine believes the price Russia wants for letting up pressure in the Middle East is concessions in Europe.

USSR: Would Act Jointly with U.S.

LONDON, Monday. — Moscow Radio declared today that the Soviet Government, aside from its pledges for peace in the Middle East given in the U.N., would "also act jointly with the United States with these aims as well as with any other State."

Soviet Russia, the broadcast said, was guided by the principles and aims of the U.N. "to undertake measures to curb any aggressor" in the Middle East. "There can be no doubt that the military threat can be prevented if in the face of the present serious danger a spirit of mutual understanding, cooperation and unity of action is displayed. The Soviet Union raises its voice against the threat of war in the Middle East."

The Soviet Communist Party newspaper "Pravda" today returned to the attack on the Secretary of State John Foster Dulles for having once again brought matters to the brink of war.

The newspaper reiterated the argument contained in last week's Soviet statement that the U.S. had hatched a plot with Turkey to attack Syria.

Israel Diplomats To Quit Hungary Today

BUDAPEST, Monday (Reuter). — Three Israel diplomats were hurriedly finishing packing here today following the Hungarian Government's demand that they leave the country by tomorrow.

They are: Mr. Yitzhak Efrat, First Secretary at the Legation and Mr. Abraham Keren and Mr. Shlomo Levy, both Attaches.

The Hungarian Foreign Ministry yesterday demanded the departure of three members of the Legation staff within 48 hours following Israel's refusal to release a Hungarian actor in Tel Aviv, Zoltan Greguss, charged with an offence against a 12-year-old girl. It was left to the Legation to decide which of their staff should go.

The Israel Legation would make no statement today about the expulsion, which had not been reported in the Hungarian press. It was understood that the three diplomats will leave for Vienna early tomorrow.

GREGUSS TRIAL RESUMES TODAY

Jerusalem Post Reporter

TEL AVIV, Monday. — The trial of the Hungarian actor Mr. Zoltan Greguss, accused of committing an indecent act on a 12 year-old girl, will be resumed in camera before Magistrate H. Bental here tomorrow morning.

The accused is out on IL-5,000 bail.

Counsel for the accused, Dr. David Hermann, who also happens to be the Hungarian Legation's legal adviser, told **The Jerusalem Post** tonight that he would demand that public. The damaging publicity souraounding the case called for the maximum degree of ofenness, giving the public all the facts, he said. He estimated that 10 to 15 more sittings would be held.

The Government's request for secrecy had been honoured so far, but the undetunate political repercussions demandd public hearings.

Dr. Hermann said that he would not be able to request that the girl involved be submitted for psychiatric examination, following the Magistrate's decision that she be allowed to return to her school in Germany.

U.S. Unlikely To Send Israel Arms

WASHINGTON, Monday (UP). — American officials made clear today they will not respond to Premier David Ben-Gurion's hint that Israel would like to get weapons from the U.S.

Mr. Ben-Gurion's recent statement to United Press that he cannot understand why the U.S. is sending arms only to the Arab States, and not to Israel, was taken in official circles here as intended merely "for the record." The reaction was summed up by one official who said that both Mr. Ben-Gurion and the U.S. "understand the situation very well — that Israel is very adequately armed and militarily is quite equal to anything in the area."

Officials said Israel is getting all the arms it needs, mostly from France.

The funeral cortege of heroes of the Sinai Campaign

who will be reinterred at the Mt. Herzl Military Cemetery will leave from Binyanei Ha'ooma, Jerusalem, tomorrow, Oct. 23, at 2 p.m. The coffins will be brought to Binyanei Ha'ooma at 1 p.m.

Tur. Aisen Arieh son of Meir —	Nahlat Yehuda
RvT. Alufi Elisha son of Peretz —	Jerusalem
RvT. Babhanov Natan son of Zion —	Jerusalem
SgM. Borobov Itamar son of Asher —	Tel Aviv
Sgn. Caspi Arieh son of Touvia	Tel Aviv
Tur. Chalili Michael son of Haviv —	Meliiot
Tur. Chapani Latif son of Ezra —	Beersheba
RvT. Cohen Isaac son of Avraham —	Ramle-Timorim
Tur. Cohen Jehoshua son of Itzhak —	Ramle
Tur. Covani Jacob son of Hourdan —	Kfar Akiv.
Tur. Fein Amos son of Itzhak —	Givatayim
Tur. Feldman Eliezer son of Yehezkiel —	Petah Tikva
Tur. Fichtenbaum Hillel son of David —	Ramat Gan
Tur. Fishbein Aharon son of Avraham —	Moshav Herut
Tur. Gearbi Josef son of Faragi —	Tel Aviv
Tur. Gilead Josef son of Eliezer —	Jerusalem
Tur. Guzdin Rafael son of Josef —	Petah Tikva
RvT. Jacob Nagi son of Dorni —	Ramle
SgM. Jacobi Benjamin son of Avraham —	Holon
Tur. Kahalani Aharon son of Said —	Ashkelon
Tur. Kaplan Nahum son of Arieh —	Jerusalem
Sml. Kashi Albert son of George —	Migdal Haemek
Tur. Kira Saadia son of Herzl —	Kadimah
Tur. Klimi Ezra son of Eliahu —	Shiboiim
SgM. Ladizinski Oved son of Zeev —	Kfar Bilu
Tur. Leschner Zvi son of David —	Mishmar Hashiva
Tur. Levy Rafael son of Josef —	Hadera
Tur. Lichtenstein Eliahu son of Jacob —	Talmei Menashe
Sgn. Matzliah Haim son of Shlomo —	Ramat Gan
Tur. Messika Itzhak son of Nissim —	Natanya
Tur. Mizan Benjamin son of Josef —	Acre
Tur. Mouato Moshe son of Victor —	Kfar Minhat
Tur. Ohalon Jacob, son of Massood —	Kiryat Haroshet
Tur. Ouad Saadia son of Moshe —	Akir
RvT. Pozner Nahum son of Jacob —	Ramat Gan
Tur. Rahamim Nuri son of Salah —	Ramle
Tur. Ratzon (Rassouni)-Avraham son of Matityahu —	Moshav Matuliah
RvT. Samet Jacob son of Jacob —	Tirat Yehuda
Tur. Sassun Itzhak son of Rahamim —	Jerusalem
Tur. Serur Pinhas son of Halifa —	Ashkelon
RvT. Shaferman Shmuel son of Yehezkiel —	Jerusalem
RvT. Silam Mordechai son of Klement —	Natanya
Tur. Sinaani Haim son of Shalom —	Herzliya
Tur. Stahi Shalom son of Jefet —	Havatzelet
RvT. Tam Josef son of Shalom —	Jerusalem
Sgn. Teller Dan son of Jacob —	Tel Aviv
Tur. Tormin Sasson son of Josef —	Tel Aviv
Tur. Tzakoon Haim son of Avraham —	Tel Aviv
Tur. Waknin Moshe son of Josef —	Jerusalem
Sgn. Waks Zeev son of Benjamin —	Ramat Gan
Tur. Zallawi Bebir son of Hvati —	Beit Lid
Sgn. Zeevi (Zilberman) Naftali son of Eliahu —	Kfar Saba
TrS. Zeig Avraham son of George Hatoun —	Petah Tikva
TrS. Zeisler Avraham son of Shalom —	Nir Yisrael

Ministry of Defence
Manpower Division/Soldier's Memorial Department

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a new era in entertainment and luxurious comfort begins Saturday, October 26, at 7 p.m. with the Israel Premiere of

An Affair to Remember

starring:
Cary Grant and Deborah Kerr

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Schedule of performances:

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Saturday Night: at 7.30 and 9.45
Sunday to Thursday (inclusive: Matinees continuous from 2 to 4.15. Evenings (reserved): 7.15 to 9.30
Friday Matinee (one performance): 2.30
Reserved seats on sale from 12 noon tomorrow

CINEMA "TEL AVIV"

Rehov Pinsker off Dizengoff Square

Social & Personal

A dinner in honour of Mr. Joseph Linton, Israel Minister to Japan, was given at Z.O.A. House on Sunday night by the Japanese Chargé d'Affaires and Mrs. K. Negishi. Among the guests were Mayor Gershon Agron, of Jerusalem; Mr. Walter Eytan, Director-General of the Foreign Ministry; Mrs. Vera Weizmann; and Mr. M. Bejerano, Chairman of the Israel-Japan Friendship Society.

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Mr. Michael Koll-Nesher, of Shefet Advertising Agency, Haifa, has left for the U.S. on a business trip.

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Proceeds from the gala opening of the "Tel Aviv" Cinema on Thursday, at 8.30 p.m., will be devoted by Hanashil-Polio to provide sports clubs for polio victims. The 100-voice Zadakoff Choir will perform.

Stormy Congress Of Rumanian Settlers

Jerusalem Post Reporter

TEL AVIV, Monday. — Angry shouts and raised fists were in evidence throughout today's deliberations of the Rumanian Settlers Association's conference, which ended here tonight.

The two-day conference was attended by 380 delegates, and hundreds of observers nearly came to blows over a report in an afternoon paper identifying the Association with a political party.

Cries from the platform calling the conference to order went unheeded as various sections of the audience shouted taunts at each other, stressing their comments with emphatic gestures.

The conference united, however, in demanding that the gates of Rumania be opened for all Jews wishing to emigrate to Israel, in particular to allow relations of Rumanian Jews who are already in Israel to join their families here. The conference also called on the Government to make preparations for the imminent arrival of large numbers of Rumanian Jews, and to organize all facilities in advance so as to absorb large numbers of newcomers smoothly.

Today's session closed with the election of a 37-man executive and the re-election of Mr. Yitzhak Korn as President.

In view of the special problems facing immigrants from Rumania, the conference suggested that a fund be set up to provide loans to newcomers and called on the Government to enact special legislation to facilitate the suitable employment of elderly persons among them.

Drunk Dances Nude in Bar

TEL AVIV, Monday. — A 38-year-old man caused consternation among guests at the Hinga Bar at an early hour this morning. Apparently drunk he publicly stripped and performed a belly dance in the nude.

Police were summoned and the man, from B'nei Brak, was taken into custody. (Itim.)

Where to go

• **Meet the Israeli!** —
Tourists invited to meet Israelis at home. Information at Government Tourist Office, Jerusalem, Tel Aviv, Haifa.

JERUSALEM

• **Zoo:** —
Jerusalem Biblical Zoo, 8-6.

• **Exhibitions:** —
Conquest of the Desert Permanent Exhibition. Daily from 10-1, 4-6. On Friday from 10-1. Closed Saturdays.

1) Permanent exhibition of Jewish Ceremonial objects; 2) Rothschild Manuscript, "Number Twenty Four." 3) Oil Paintings by Audrey Bergner. 4) Sculpture in Iron by Yehiel Shemi. Bezalel 9-1; 2.30-5.

Bezalel Museum Romema Branch. Conquest of the Desert Pavilion — Drawings by the late Leopold Krakauer, 10-1.

Religion and Cult in Ancient Israel—Exhibition on the occasion of the Second World Congress of Jewish Studies. Also Permanent Exhibition, Department of Antiquities, 25 Rehov Shlomo Hamelech, 10-1; 4-6.

Oil Paintings, Sculpture, Watercolours and Graphics on the Subject "Animals." Artists House, 10-1; 4-7.

Water Colours and Gouaches by Curt Singer. Sculpture by J. Constant. Nora Art Gallery, 9 Malmon, 10-1; 3-6.

• **Film Shows:** —
Israel films daily 11.30. Keren Hayesod Hall.

• **Tours:** —
Hebrew University Conducted tour, 10 a.m. Administration Bldg., New University Campus. (Conducted tours in Hebrew daily, 11 a.m.) Parents are requested not to bring children under the age of 10.

• **Lecture:** —
"Jerusalem, the Capital of Israel," Ephraim Ben-Eliahu, Mishkan Hamiacha Hall, Rehov Bezalel, 7.30 p.m.

• **Concert:** —
Kol Yisrael Orchestra, conducted by G. Singer, soloist: Pnina Salzman. Works by Rossini, Liszt, Larri and Schoenberg. Y.M.C.A., 9 p.m.

TEL AVIV

Italian specialities. Lunch, Dinner. Luky's Bar—Restaurant, 8 Allenby Rd., First class Italian menu at ILS.

• **Theatre Club:** —
New programme: 57 Ben Yehuda Rd., entrance Rehov Mendele.

• **Theatre:** —
Cameri, "Dream Girl," New Theatre, 8. "Juliet and Romanov," Mograbi, 8.
Ohel "Shulamit,"
Dulzan and Baumacher, "Nine Measures of Laughter," Ohel Shem, 8.30.

• **Lecture:** —
"The Artificial Moon," Dr. A. Fonda (Head of Physics Department, Technion, Haifa), Z.O.A. House 8.30 p.m.

KIRYAT HAIM

• **Theatre:** —
Habimah, "The Slaughter of the Innocents," 8.

RAMATAYIM

• **Theatre:** —
Ohel, "The Wooden Bowl," 8.

PRIME MINISTER'S KNESSET SPEECH

The Knesset's winter session was opened yesterday by the Speaker, Mr. Joseph Sprinzak, who welcomed the Members back from their vacation and from the various missions which they had undertaken on behalf of the State during the summer months. The Prime Minister prefaced his political statement by associating himself with the Speaker and wishing the Members a year of "fruitful work, dedicated to the strengthening of Israel and the safeguarding of its welfare and future." Referring to the Foreign Minister's return from abroad, Mr. Ben-Gurion mentioned that she had found foreign ministers of various countries sympathetic to Israel's efforts for peace. He referred specifically to her meetings in Italy with the President, Prime Minister, and Foreign Minister of that country, which were of great value in "helping to bring about a friendly understanding between Rome and Jerusalem." Following is the full text of the Prime Minister's statement:

The most important event which has taken place during the vacation has undoubtedly been the successful despatch into space by Russian scientists of an artificial satellite, which is now revolving around the globe at a height of over 500 miles, at a speed of five miles per second or 18,000 miles per hour.

There are many who ascribe political and military significance to this extraordinary technological achievement, but we must congratulate Russian science and the Russian people on this great event, which reveals the tremendous, almost infinite capacity of the human spirit to lay bare the secrets of nature and to dominate the elements, an event which may open up a new era in man's control over the universe.

Our joy at this great scientific and technological milestone has, however, been overshadowed to no little extent by the increase in world tension, which is associated with the artificial satellite either as a cause or a consequence. Since I am not an authority on scientific or technological questions, I shall not assume the responsibility of judging whether the Soviet satellite that has been sent out into space has any political or military significance.

As a son of the Jewish people dispersed throughout the world and as a representative of a small state which is making superhuman efforts to rebuild its waste places and to absorb the tens of thousands of its sons who are streaming homewards from all parts of the globe, however, I cannot help feeling profound concern at the increased tension in the world as a whole and in our area in particular, whether it is connected with the despatch of the satellite or not.

For over two years, beginning with the copious flow of arms from the Soviet bloc to Egypt, the Middle East has been the focal point of the tension between the East and the West.

M.E. in Two Spheres

Ever since the rise of the State and the invasion of our country by the Arab armies, eight hours after the proclamation of our independence, Israel has been aware that she lives in two spheres; the regional sphere, which comprises ourselves and our Arab neighbours, and the greater world sphere, which devotes considerable attention to the affairs of the region for historical and geopolitical reasons. The difficult struggle that was imposed upon us by Arab aggression also involved both military and political elements; and although the two struggles are interdependent, we could not assume that any one factor, either the military or the political one, would be ultimately decisive, since this dual struggle interests and involves to a greater or smaller extent both the forces active in the more limited sphere of our own area, and the forces that are influential and sometimes decisive in the larger sphere, on the international scene which covers the face of the globe.

If the limited sphere was entirely separate and completely unconnected with the greater sphere, then the military factor by itself might have been decisive. The Arab rulers, who defied the Assembly and the public opinion of the world, believed that they could settle the problem by military force and destroy Israel. Their military calculations were mistaken and they failed to win a decision on the battlefield, in spite of their large numbers and superior armaments.

In 1947, when the problem of Palestine was discussed for the first time in the U.N. Assembly, we were basically successful in our political struggle, but the Arab attack and the invasion immediately after the establishment of the State showed that we cannot rely solely on a political decision. If we had not been strong enough in 1948, to the astonishment of the whole world, to repel the invaders, the Egyptians would still be stationed on the Ashdod-Beit Govrin line, the armies of Kaukji and Syria would still be entrenched in Central Galilee, and perhaps none of us would be alive today. The events of the last ten years, however, have shown that even a military campaign cannot by itself be decisive, for the Middle Eastern sphere is involved, perhaps more than any other area, in the world sphere, where the balance of forces is different from the local military balance in the area.

As far back as the 20th Session of the Provisional Council of the State, at the end of September 1948, I pointed out these fundamental facts which are decisive in our foreign policy, and I shall not repeat now what I said then.

During the last two years, however, there has been a change in the situation in our area. While up to two years ago the forces in the more limited sphere of the Middle East were mainly, though not entirely, motivated by internal considerations, and matters were decided both by ourselves and our neighbours mainly by our own strength, ever since the Czech arms transaction the limited sphere has lost much of its capacity for independent action, and it is politically and militarily dependent—to a far greater degree than it was nine or even two years ago—on the principal forces operating in the greater sphere. During the last few months this change has become almost a fundamental transformation: the forces contending in our area are, not so much the forces of the area itself, but the world blocs of the East and the West, headed by the two greatest powers, the United States and the Soviet Union.

Arab Camp Split

This transformation is closely connected with the cleavage which has taken place in the meantime in the Arab camp itself, as well as political developments that have no connection with our area.

The internal Arab cleavage does not improve the relations between Israel and her neighbours or strengthen our security, and—paradoxical as it seems—in some degree works to our disadvantage.

This cleavage derives from two sources. On the one hand, there is the overt or concealed competition between the Egyptian dictator and King Saud for hegemony among the Arab peoples, a hegemony which for several years belonged to Egypt and was undermined by the Sinai campaign. On the other hand there are the internal differences among the Arab rulers with regard to the two great blocs that are contending in the world and in the region.

These antagonisms in regard to East and West are not the outcome of differences of opinion in principle on the political, social or ideological values of the rival blocs. The Arab rulers, with the possible exception of Lebanon, have no attachment in principle either to the democratic and libertarian values of the West or to the ideology of the Soviet Union. The regime in all the Arab countries, again perhaps apart from Lebanon, is the dictatorship of a military junta or a feudal group attached to a king. The feature common to all the Arab countries is the fact that their rulers are in practice indifferent to the true needs of their peoples—in health, education and development—just as they are indifferent to the principles of peace and justice that are the foundations of the U.N. Charter. Their main concern is to strengthen their rule in their own countries, and—in some cases—in the neighbouring countries as well. It is for this reason that their principal concern is to obtain arms, and more and more arms. Egypt, Syria and Yemen obtain the arms from the Soviet bloc, and Jordan, Saudi Arabia and Iraq from the U.S. or Britain.

There is another aspect common to all the Arab States which effects us specifically. **All of them have been** plotting to destroy Israel, and have publicly proclaimed their intention to do so. The arms which have been streaming to Egypt, Syria and the Yemen from the Soviets are not intended for a war with the U.S., and the arms that are being sent to Jordan, Saudi Arabia and Iraq will not be used against the Soviet Union. In all these countries the armaments are aimed solely against Israel.

Stick to Principles

Israel is not only a Middle Eastern country, nor is she only a Mediterranean country. Israel's attachment to the Jewish Diaspora throughout the world, to values of peace and freedom and to the vision of redemption for the Jewish people and all humanity, stemming from Israel's prophets, make her unique among the nations of the area and determine the foundations of her policy and her relations with all other countries. In its Statement of Basic Principles the Government has clearly stated that

Israel's relations with other countries shall be based on: a) A sincere effort to strengthen peace throughout the world and specifically throughout the Middle East. b) Israel's needs for security, immigration, development, and economic and political independence. c) The position and the needs of the Jewish Diaspora throughout the world. d) Devotion to international co-operation and to the basic tenets of the Charter of the United Nations.

The Government of Israel will continue to foster relations of friendship and mutual assistance with every peace-loving nation, regardless of its internal regime and without affecting the interests of any other nation; she will continue in her efforts to establish mutual relations of friendship with the nations of Asia (and now one may add: and with the nations of Africa) and endeavour to strengthen its ties with those countries having Jewish communities.

The Government of Israel will strengthen its ties with all countries assisting Israel in furthering her security and development, and will enable their Jewish communities to participate in the upbuilding of the country and in immigration to it.

And just as the Government will take all effective measures to protect its border settlements and danger areas, so it will act to lessen border tension and will strive unceasingly towards relations of peace and co-operation between Israel and the Arab countries.

These have been the basic principles of Israel's foreign policy since the establishment of the State and we shall continue to stand by them in the future.

Although there is relative quiet along the borders—and as far as we are concerned everything will be done to maintain this quiet—it is nevertheless a fact that the increasing armament of the Arab countries, which results from the competition between the two world blocs, and more specifically the new situation which has arisen in Syria as a sequel to a similar situation in Egypt, causes us concern, although it is no cause for unnecessary panic.

The strengthening of the ties between the ruling military junta in Syria and the Soviet Union was accompanied at first by unceasing attacks on Israel in the Soviet press, including such falsehoods as stories that Eilat was evacuated by Israel to allow the entry of the American Army into the Bay, or that Israel troops were concentrated along the borders in preparation for an Israel-French or Israel-American attack on Syria.

Recently Israel's name has been deleted from this plot, and none of us regrets it, although we should not draw any exaggeratedly optimistic conclusions from this fact. The arrows of Syrian-Soviet propaganda are now aimed at Turkey, but I regret that I cannot say that the enmity and hatred of the Soviet Union towards Israel have weakened, despite all our efforts to improve our relations with this mighty power, where about three million Jews are living and which is one of the decisive factors in world policy.

It will be recalled that in 1947 the Soviet Union ranged itself alongside the United States at the head of a great U.N. majority in the General Assembly which decided upon the establishment of a Jewish state in Palestine, and expressed its displeasure at the invasion of Israel by the Arab states immediately upon its establishment, and that a short while after the U.S. recognized Israel, the Soviet Union also granted us recognition. It will also be recalled that in 1951 the Soviet representatives at the Security Council voted together with the other Great Powers on the Council against Egypt's claim that a state of war existed between it and Israel, and established in unmistakable terms that Egypt has no right to interfere with Israel shipping in the Suez Canal and that the Armistice Agreement is incompatible with a state of war.

But since the Egyptian dictator opened the gates of the Middle East to the Soviet Union there has been a very clear and surprising deterioration in this great power's attitude towards Israel, and this attitude of course has not been weakened with the growing influence of the Soviet Union in Syria. The change that has now come about in the Middle East is that it is no longer the local forces but mainly powerful external forces that are aggravating the tension in the region, and only parallel and complementary world forces can reduce this tension.

Even amidst this growing tension, whose dangers one should neither belittle nor exaggerate, Israel must not change the foundations of her policy, which are based on fundamental historical facts, namely: that we are a democratic nation, respecting the rights and freedom of man, without which Judaism cannot survive; that this country was not meant solely for its inhabitants but for every Jew throughout the world who has been compelled either by circumstances or by an inner urge to return and live in his homeland; that for several generations to come we shall be called upon to devote most of our efforts and resources to the upbuilding of the country, its economy and culture, through our own efforts; and consequently we desire peace and friendship with every country be its internal regime what it may. And we shall have to strengthen our ties, as we have stated in our basic principles, with all countries who assist Israel in furthering her security and development, and which enable their Jewish communities to participate in the upbuilding of the country and in immigration to it.

New Friends

We are certain that the day will come when the Arab States will recognize the existence of the State of Israel and the blessings to be derived therefrom, and that there will be collaboration between Israel and the Arab countries. It may be that this will happen gradually, and we shall spare no effort to hasten the hour—but as hitherto Israel will strengthen her military preparedness, her general security and her internal consolidation, and will increase her efforts to win new friends in the five continents—North and South America, Europe, Asia, Africa and Australia.

Without going into details I want to mention that there is a reward for our activities in the area of international relations. In contrast to the aggravation of the tension in our region, which has come about mainly through outside forces, we can state with no little satisfaction that there is a large degree of sympathy and understanding among many enlightened nations for Israel's work and mission in this corner of the world, not only on the part of European and North and South American countries, but among several Asian and African countries as well. There are several countries in the Middle East which are being assisted and fostered because of their potential for harm; but the friendship that Israel has gained is due to its positive ability, which is constructive, pioneering and progressive.

We have received no little assistance from the great powers, first and foremost from the U.S. and France, but we too are rendering assistance, and without any thought of a reward, to new nations which won their sovereignty only a few years ago or very recently, and I am certain that the light of our actions will yet pierce our neighbours' wall of hatred. In this sphere, however, we are only at the very beginning. Consequently I will not dwell on the important, although perhaps limited, beginnings of ties of friendship between ourselves and various countries in Asia and Africa, nor shall I dwell on our expanding connections with European countries — and not only those of Western Europe. Although in this connection I must state with regret and astonishment that the Nehru government of India, which I believe sincerely stands for the strengthening of peace between all nations regardless of their regimes, continues to discriminate against Israel and seems to ignore our existence.

Israel has believed these thousands of years in values of peace, freedom, justice, and the love of man, and it certainly cannot neglect its foreign relations in this period of human history, when international bonds, despite the differences and conflicts, are being strengthened and during which geographical distances have become almost meaningless. But we must repeat time and again the simple and essential truth that victory in the field of foreign relations depends first of all on the strengthening of our internal front, on our economic and cultural consolidation, and on the ingathering and assimilation of our exiles.

And by the consolidation of our internal strength, I do not mean only the maximum strengthening of the Israel Defence Forces, which is imperative for our survival, but the principal task that we shall have to face during the next ten years: the population of the South and the Negev.

Whatever may be the outlook of Members of the Knesset on economic questions and their opinions on the value and efficiency of state planning there are two things on which everyone who is concerned for Israel's political and military security and economic independence must agree: that we must stop concentrating in the narrow strip on the coast of the Mediterranean and that we must populate and develop, with the utmost possible speed, the expanses of the South and the Negev. For these purposes we must have state planning, just as we need the pioneering initiative of individuals and groups.

Between Two Seas

The fact that Israel borders two seas — the Mediterranean in the West and the Red Sea in the South — is an asset of inestimable value. The Mediterranean is our gateway to Europe and America, and the Red Sea to Asia and Africa.

In the 20th Century, Europe lost its world hegemony and will never recover it. But Europe has not lost its cultural and economic importance, and our ties with the countries of Europe — with all the countries of Europe without exception, insofar as it depends on us — are a vital necessity to Israel, from both economic and cultural points of view.

The importance of the Asian continent, however, is constantly growing. It contains the greater part of the human race, and we are situated at its western end. The continent of Africa is also growing in importance. Our ties with these two continents will advance and determine our economic independence, perhaps more than any other fact, and they will also enhance and improve our international standing. These ties will be developed above all, if not entirely, through our Red Sea port, and the port of Eilat will be one of Israel's great international ports. But we cannot develop Eilat and expand shipping in the Red Sea without developing Eilat's hinterland, that half of Israel's territory which some people maintain, through ignorance and sheer blindness to be a hopeless desert.

It is still not clear where the focal point of our settlement will be in the North or the South. Man in our time is not dependent on the blind fortunes of nature as he was formerly — and even formerly the Negev was not uninhabited. Natural resources hidden in the earth, unknown to man a 100 or even 50 years ago, are now being discovered.

If it be true that the South is poorer than the North in its rainfall — it is superior to the North in certain respects, not only in the Dead Sea but throughout the vast expanse of the Negev. Settlement in the South and the Negev will not be based solely on agriculture, even though in this sphere, too, there are still broad possibilities, more than even most of the Knesset Members and the people are aware of. But populating the Negev will be possible only on the basis of a varied and mixed economy, consisting of agriculture, grazing, exploitation of minerals, development of small and large industry and — in the Gulf of Akaba — fishing and shipping.

The day is not far off when we will have atomic power for agricultural and industrial needs and perhaps even for transportation. We will know better how to exploit the boundless resources of solar energy which exist to a greater degree in the South and in the Negev than in the North. And it is not impossible that we will find a cheap process for the distillation of sea water for irrigation purposes. Thus far we have not even exploited a small percentage of our natural resources—mines, phosphates, granite quarries and other minerals, which are found in great quantities in the Negev — nor have we persisted, as we should have done, in gathering our rain waters and searching for underground sources whose existence in the Negev we know of, and not in the negligible quantities of which we are accustomed to think.

Ezekiel's Prophecy

If we thoroughly mobilize our scientific potential and pioneering initiative, and if the entire nation backs these to its fullest, it will not be impossible for us to convert the South and the Negev into a densely populated and blooming centre for hundreds of thousands, and perhaps even millions, and thereby fulfil the prophecy of Ezekiel (36: 34-36):

And the desolate land shall be tilled, whereas it lay desolate in the sight of all that passed by. And they shall say, This land that was desolate is become like the Garden of Eden; and the waste and desolate and ruined cities are become fenced and are inhabited. Then the heathen that are left round about you shall know that I the Lord build the ruined places, and plant that that was desolate. I the Lord have spoken it, and I will do it.

And to the words of the prophet I would add in conclusion: The words of the Lord are His deeds, while man's words must be translated into action. Through our deeds and not through our words shall we be judged and gather strength.

ON THE AIR

FIRST PROGRAMME
522, 249, 33.3 & 41.7 M.

News: Hebrew: 6.35, 7.00 a.m. 1.30, 5.00, 7.00, 9.00, 11.00 p.m. **English:** 1.45 p.m. **French:** 2.00 p.m. **Arabic Programme** (including News): 7.30 a.m. 2.15, 6.00 and 11.08 p.m.

6.30 a.m. Service. 6.37 Exercises. 6.47 Musical Clock (R). 8.30 Close Down.

12.00 Light Music. 12.40 Vocal Recital by Olga Hoch. 1.00 Lunch time Music — Soloist: Cora Vaucaire (Vocalist). 1.30 Close Down.

4.30 News Summaries in English, Swedish and Spanish. 5.05 "Musical Miniatures." 5.10 Tora Lesson, by Dr. N. Leibowitz. 5.30 Youth Corner. 7.15 "We Present Tonight." 7.18 "Ron Ami." 7.35 Hebrew Language Corner. 7.50 Light Music. 8.00 The Week at U.N. — ed. by Arie Avner. 8.15 "Noah's Ark." 8.35 Bible Reading: Ezekiel, Chap. 38. 9.15 Concert by the Kol Yisrael Orchestra — Conductor: Georg Singer. Soloist: Pnina Salzman (Piano)—"Transfigured Night" (Arnold Schoenberg). 10.05 Shraga Friedman reads from David Shimoni's Proverbs. 10.10 Concert (cont.) Piano Concerto No. 2 in A-major (Liszt); Rustic Dances (Marc Lavry); Overture "La Scala di Seta" (Rossini). 11.15 Close Down.

SECOND PROGRAMME
422, 480, 202.7, 41.7 & 33.3 M.

IMMIGRANTS' HOUR: 6.00 Light Music. 6.30 Excerpts from Operas. 7.00 Hebrew-Yiddish Lesson. 7.15 News in Easy Hebrew. 7.30 Yiddish. 8.00 Rumanian. 8.15 Hungarian. 8.30 Ladino. 9.00 Interval. 9.15 Polish. 9.30 French. 10.00 News in English. 10.15 Close Down.

KOL ZION LAGOLA (32.8 M.): Programme to South Africa: 6.30 News. 6.45 "Vistas of Israel." 7.00 Regina Chomska — soprano. 7.08 Yiddish News.

Programme to U.K.: 11.45 News. Midnight: Regina Chomska — Soprano. 12.15 Easy Hebrew conversation. 12.30 "Understanding the Bible" — Talk by Rabbi B. Casper.

ARMY PROGRAMME: (48.4, 216, 225 & 238 M.): 6.30 Opening. 6.35 Songs. 7.00 News. 7.10 Music from Films. 7.30 "Bow & Arrow". 8.00 "Invitation to Dance." 8.15 "Noah's Ark" (Kol Yisrael). 9.00 News. 9.10 News from the record library. 10.45 Dance Music. 12.30 Close Down.

B.B.C. HEBREW BROADCASTS (13.90, 16.84 & 24.90 M.): 6.30-7.00 p.m. News. News Talk. "Mid-Week Magazine."

NO MORE DANDRUFF TROUBLE
Thanks to ENDEN, the ideal family shampoo
Helene Curtis
ENDEN

Yesterday's Press

Greguss Affair Said Mismanaged

Ma'ariv accuses the Foreign Ministry of wide-eyed innocence in its handling of the case of the Hungarian actor, Zoltan Greguss. Here there was simply a man charged with rape, and the matter would have been so treated, had the Foreign Ministry not tried to hush up the matter and instructed the judge to forbid publication of the charge. It was this stupidity which gave the Hungarian Government the opportunity to create a diplomatic scandal. In general, the paper feels, judges have lately made excessive use of the prerogative of banning publication of court proceedings.

The opening of the Knesset's Winter Term prompts **Haboker** (General Zionist) to complain that the Knesset does not play the role it should in the nation's life. In practice, all important policy decisions are taken by Mapai bodies, while other parties — whether in the Coalition or not — are restricted to expressing their opinions, the paper asserts.

Both **Al Hamishmar** (Mapam) and **Hatsofe** (World Mizrahi) interpret the decision of the U.N. General Assembly to debate Syria's complaint against Turkey as an indication that the Middle East tinder box is not quite as inflammable as it has been recently.

The Mapam organ considers "most strange" the distinction made by Mr. Ben-Gurion last week between American aid ("economic") and Soviet aid ("military") to countries in the Middle East. The fact is that the U.S. was the first to supply the Arab rulers with modern heavy armaments. What the Government has failed to realize is that any settlement in the Middle East must take account of the U.S.S.R.

Lamerhav (Ahdut Ha'avoda) and **Ha'aretz** (non-party) are both sceptical of the efficacy of the plea which was expressed by Mapai leaders at the recent conference of Ihud Hakvutzot ve-Hakibbutzim, that the three labour parties unite. Mere words and slogans would not bring about labour unity, nor has the partnership of the three labour parties in the Coalition so far demonstrated a firm basis for unification.

Herut deplores the absence of any law — written or unwritten — which would require the President to sever his ties with any political or semi-political organization. The President should be above criticism, and arguments stemming from his presence at political functions should be avoided.

IN THE SUPREME COURT OF SOUTH AFRICA.
DURBAN AND COAST LOCAL DIVISION.
Before the Honourable Mr. Justice Jansen.
Durban: Friday the 4th day of October 1957.

In the matter of an application by: **Walter Stanley Clarke N.O.** and **Henry Nattrass N.O.**, Applicants.

Upon the motion of Mr. Friedman, Q.C., with Mr. Greenberg, Counsel for the Applicants, and upon reading the report of the Master of this Court, Affidavits and other documents filed:

IT IS ORDERED:

(1) THAT a rule nisi do issue calling upon all persons interested to show cause, if any, before this Honourable Court, on the 26th day of November, 1957, at 10 o'clock in the forenoon, or so soon thereafter as Counsel can be heard, why:—
(a) The residue of the Estate of the late Annie Genendal Treisman, born Silverstone, who died at Durban, Natal, Union of South Africa, on the 5th day of December, 1954, should not be paid to the Jewish National Fund Charitable Trust of South Africa Limited, of the Zionist Centre, 94, De Villiers Street, Johannesburg, Transvaal, in its capacity as the South African representative of the Keren Kayemeth Le Israel Ltd., of Keren Kayemeth Road, Rehavia, Jerusalem, Israel, for the purpose of acquiring land in Israel, and for the purpose of giving effect, so far as it is possible so to do, to the wishes of the said Annie Genendal Treisman (born Silverstone) as expressed in her last will and testament dated the 2nd April, 1951.
(b) The costs of these proceedings should not be paid out of the assets of the said Estate.

(2) THAT this rule be published once in The Jerusalem Post, a daily newspaper circulating in Israel, such publication to be made on or before the 31st day of October, 1957.

(3) THAT prior to the publication of this rule a copy of the last will and testament of the said Annie Genendal Treisman be lodged at the offices of the Keren Kayemeth Le Israel Ltd., of Keren Kayemeth Road, Rehavia, Jerusalem, Israel, for inspection by all persons interested.

BY THE COURT,
(Sgd.) J.D. Datel—Registrar.
Moss-Morris, Greenberg & Cohen.

Z.O.A. HOUSE
tonight, Oct. 22, 1957, at 8.30 p.m.
the first explanation in Israel on
The Artificial Moon
given in English by
Dr. A. FONDA
of the Haifa Technion.

Cinemas

JERUSALEM
At 3.30, 6.30 and 8.30 p.m.
ARNON: Arabian Nights.
EDEN: The Vintage.
ORGIL: The Big Boodle.
ORION: The Dance of Sheba.
At 3, 6 and 8.30 p.m.
ORNA: The Brave One.
RON: Dunya.
At 3.30: Vera Cruz.
SEMADAR: Son of Sinbad.
Matinees: To Hell and Back. Knew Too Much.
ZION HALL: The Man Who
TEL OR: No Time for Flowers.
EDISON: Laila Najua.
STUDIO: The Young Lovers.

TEL AVIV
At 3.30, 7.30 and 9.30 p.m.
ALLENBY: Good Morning, Miss Dove.
ARMON DAVID: The Kid.
CHEN: The Killer.
EDEN: Jasmin.
ESTHER: Invitation to the Dance.
DAN: Tarzan and the Lost Safari.
MAXIM: Men in War.
MIGDALOR: Notre Dame de Paris.
MOGRABI: "La Risata."
OPHIR: "L'Homme a l'Imperméable."
ORION: Giant.
PEER: Opening Shortly.
SHDEROTH: The Wonder Man.
TAMAR: "Gioventa Alla Sbarra."
TCHELET: "Figaro, Il Barbiere di Seviglia."
Matinees: To Hell and Back.
YARON: Napoleon.
ZAFON: Grand Rue.
ZAMIR: Antoine & Antoinette.
Matinees: Under the Zero.

HAIFA
GAL OR: A Bullet for Joey.
Matinees: Paid In Full.
ORION: Night Passage.
Matinees: Night People.
ARMON: Garment Jungle.
EN DOR: Awara.
ORLY: The Man in the Grey Flannel Suit.
ORAH: The King and Four Queens.
AMPHITHEATRE: Oh, Men! Oh, Women!
MORIAH: Meet Me in Las Vegas.
ATZMON: The Wings of Eagles.
PEER: Shree 420.
MAY: The Spirit of St. Louis.

EMERGENCY PHARMACIES
JERUSALEM: Batish, 10 Strauss, 2911.
TEL AVIV: Abramsky, 42 Allenby, 3536. Beracha, 248 Dizengoff, 25440. Shor, 54 King George, 22863. Bilu, 21 Bilu, 24063. Baruch, Hatikva qtr., 67905. Laris, Jaffa, 72 Jerusalem Blvd., 82993. RAMAT GAN: Talpiot, 30 Abba Hillel Silver, 73564. HOLON: Ribak, Kikar Struma. NATANYA: Geva.
HAIFA: Schmidt, 45 Heral, 4041.
EMERGENCY PHYSICIANS
JERUSALEM: Dr. Grunwald, 22 Bin Nun, 62863. Dr. Romanoff, 11 Arlosoroff, 61217. Dr. Shor, 45 Rashi.
HAIFA: Dr. Sherman, 2 Hanevi'im, 2426.

This ancient jar
was sent to the "HAZVI" N. MEITLIN & SON chicory factory in Tel Aviv by one of the chicory experts of France and Europe with the following letter:
"As I wish to grant this award in the permanent form of a medal, I am sending you a chemist's jar from my own private collection with an ancient inscription about chicory. This jar shows that before chicory was considered a food it was used for medical purposes, and its health values cannot be questioned.
As you know — the Hazvi Chicory factory is a pioneer in the manufacture and growth of chicory in Israel and has more than once won an award at home and abroad for it is a superior product.

Notices to the Public

Notice to employers and to provident funds, and pension and compensation funds which have received the authorisation of the Income Tax Commissioner

We hereby wish to remind employers and managers of provident funds, and pension and compensation funds which have been authorized by the Income Tax Commissioner that the Income Tax amendments (rules for authorizing provident funds, pensions and compensation) 1957, which were published in Kovets Hatakanot No. 728 on August 29, 1957, specify the following in order to validate the authorized agreements:

a. In accordance with Amendment 29 (a) funds must contact the Supervising Body authorised under Amendment 9 (a) not later than Oct. 29, 1957, and through the Supervising Body inform the Authority Charged with the Implementation of the Regulations, as given in para 5.

The following is a list of authorised bodies which may be contacted:

1) Audit Union for Provident Funds Pension Funds and Mutual Aid Organizations in Israel, Ltd.
2) Mercaz Hacooperatala L'mslacha, Factories and Public Services, Audit Union Ltd.
3) Mercaz, Audit Union of the Israel Credit Cooperative Ltd.
4) Ha'ikar Audit Union for Agricultural Societies of the Association of Farmers in Israel, Cooperative Society, Ltd.
5) Bank Leumi Trust Company, Ltd.
6) Workers' Bank Trust Company, Ltd.
7) Palestine Discount Bank, Ltd.

b. According to Amendment 29 (f) and Amendments No. 3 and 8, the Funds must submit the following documents to the Authority charged with the implementation of the Regulations, through the Supervising Body, not later than November 29, 1957:

1) Authorised copies of the relevant minutes of the organization and the regulations of the organization or society, (and for workers funds, a copy of the agreement between the employer and the fund) must also be submitted.

b) Written confirmation from the Supervising Board that the documents in Para (1) above do not contain instructions preventing the fund from fulfilling the Income Tax Ordinances or permitting it to function in opposition to these amendments.

c. A fund which, on the day of the publication of the amendments was not registered as a company or cooperative society, must register as such or join a fund which is so registered.

d. Funds which do not follow the instructions contained in the amendments, or fail to do so at the proper time, as given above, will not be granted the appropriate Income Tax deductions.

e. Special authority to carry out the above amendments will be transferred by the Income Tax Commissioner to the Commissioner of Savings. As of the publication of this announcement persons should apply to the following for matters concerning the amendments:

Commissioner of Savings,
Ministry of Finance,
P.O.B. 769,
Hakirya, Jerusalem

Commissioner of Savings
Ministry of Finance.

Wanted
by gentleman well-furnished room in quiet neighbourhood. Write: No. 4051, P.O.B. 1126, Tel Aviv.

Two gentlemen require
flat
in good neighbourhood — or one room for one gentleman.
Write: No. 2924, P.O.B. 81, Jerusalem

Air Thermo Ltd.
48 Rehov Aliya,
Tel. 82927. Tel Aviv
• Carousel Ovens for bakeries
• Furnaces for all industries
• Oil Burners
• Drying Chambers
• Exhausters
• Vacuum pumps
• Ventilators
• Heating and Ventilation advice.

CITROEN Garage,
Zvi Goldstein
33 Rehov Hamasger, Tel. 61989, Tel Aviv.

NOTICE TO THE CAR OWNERS OF:
RENAULT 4 CV
CITROEN 2 CV
Just Arrived TIRES & TUBES
Size — 400 x 135
Specially suitable for the above cars.

Today's Postbag

The Weather

FORECAST: Partly cloudy, becoming occasionally cloudy with showers.

	A	B	C	D
Mt. Cana'an	77	13	20	18
Tiberias	65	20	27	26
Haifa Port	86	19	27	26
Natanya	—	19	26	26
Tel Aviv Kirya	88	18	26	25
Tel Aviv Port	83	20	26	25
Lydda Airport	80	18	28	26
Jerusalem	67	16	22	20
Beersheba	67	14	26	25
Sdom	31	26	33	30
Eilat	54	26	31	30

"A) Humidity at 6 p.m. B) Minimum temp. C) Maximum yesterday. D) Maximum temp. expected today.

ARRIVALS

Dr. A. Moscona, of the Department of Physiology at the Hebrew University-Hadassah Medical School, and Mrs. Moscona, after two years of research work in the U.S.

Professor Y. Haberscheim, road surface and airfield runways expert at the Technion, after a two-month study of European and American airfield construction, sponsored by the Technion, the Ministry of Transport, the Air Force and P.E.C.

Mr. D. Shapira, P.E.C. engineer, from a three-month study of power station construction in Western Europe. (Both by El Al).

DEPARTURES

Mr. Y. Meridor, M.K., to Switzerland, Belgium and France.

Mr. M. Nussbaum, Israel representative on the International Council of Ex-servicemen, and Mr. S. Sharon, Chairman of the Organization of Invalids of the War of Independence, for the conference of the World Federation of Ex-servicemen in Berlin.

Mr. John Harvey, Conservative M.P., for London, after an eight-day visit as guest of the Government (all by El Al).

FIFTY new street names were authorized by the Holon Municipality yesterday for the Tel Giborim, Jessie Cohen and Popular Housing estate quarters. They include names with a military flavour, such as Sinai Campaign, the names of Talmudic Sages and geographical localities.

* * *

THE FOUNDING meeting of the Israel Criminology Society is to be held on October 30 in Beit Hahalutzot in Jerusalem. The meeting will be addressed by Justice Berinson and the Attorney-General, Mr. Haim Cohen.

* * *

KFAR SABA telephone numbers will be changed at 1 p.m. on Friday when an automatic telephone exchange will be opened there. Changes in dialling procedure for inter-urban calls will also come into force then. Telephone numbers of 140 subscribers in Tel Aviv-Jaffa will be changed at 2.30 p.m. on that day.

* * *

A CLASS B post office branch will be opened today in Shchunat Beit Eliezer, Hadera. All post office services, except for telegrams, will be provided. Tomorrow, a Class B post office branch will be opened in Ashdod Yam. The branch will provide all post office services.

Balanced Budget In First Quarter

The Government balanced its regular budget in the first quarter of the current fiscal year, although there was a IL4m. deficit in the development budget, according to the financial report for the period April 1-June 30.

There was a small revenue surplus of IL133,000 in the regular budget. Taxes lagged behind, as is usual in the first part of the financial year. Income from direct taxes amounted to IL48m. (76 per cent of the estimated yield) and from indirect taxes, IL166m. (91 per cent).

Revenue from postal and transport services exceeded estimates.

Expenditure from the development budget amounted to IL92m. and revenue IL-88m.

Mr. Levi Eshkol, the Finance Minister, has proposed to the Knesset Finance Committee that the IL10m. reserve budget be distributed between the Ministries of Labour, Welfare and Interior to meet the increased needs arising out of the immigrant influx.

He suggested that the Ministry of Labour should get the lion's share of IL6.5m., followed by the Ministry of Interior with IL2m. and the Ministry of Social Welfare with IL1.5m.

Inbal Opens in London

LONDON, Monday (INA).— Diplomats of nearly 40 countries and distinguished personalities from the entertainment world and Jewish circles this evening watched Inbal give their first performance in Britain.

The Theatre Royal, Drury Lane, was filled to capacity for this gala opening of the Israel Yemenite troupe's tour.

Inbal will play at Drury Lane for three weeks before touring the main provincial cities and Dublin.

Israel Armour Shows Prowess In Storming Hill Fortress

Jerusalem Post Reporter

SOMEWHERE IN ISRAEL, Monday. — A company of tanks storming a fortified "enemy" village highlighted the Armoured Corps' exercises and display of prowess this afternoon.

The Chief of Staff, Rav-Aluf Moshe Dayan, senior officers of the Defence Forces, foreign military attaches and other guests, were present at the display, which marked Armoured Corps Day.

The "enemy" strongpoint was situated in a commanding position on a hill and had first to be heavily shelled before advance was possible. The attacking tank platoons took up positions on hilly ground and blasted the fortifications defending the village with concentrated machinegun fire and shells. Other tanks fought off "enemy" planes, firing at coloured balloons.

The gunners were accurate. Only two of about a dozen balloons were not shot down. After a final shelling the tanks assaulted from two sides, firing while on the move. The objective was captured within 20 minutes.

Earlier, the armour went through slower, but difficult technical exercises. Half-tracks and tanks managed to cross steeply-banked wadis and climb up slopes. They overcame a 1.75-metre precipice and climbed hillocks of 30 degrees.

The Sherman tank, the old war horse of the Defence Forces with its 75-mm. cannon, showed up well and travelled over the terrain at 25 kms. per hour. The lighter French-made AMX covered ground even faster.

The tanks smashed their way through road obstacles, completely shattering cement road blocks with their fire. Flail tanks cleared a path through a minefield, their chain and weights revolving to sweep clean mines that were two or three metres in front of the advancing tank.

Both the Shermans and AMX's continually scored direct hits at various ranges. On disengaging action, they laid smoke screens and vanished behind them.

Also taking part in the display were 105-mm. self-propelled guns and mortars, which gave supporting fire.

1,000 Jobs Open In Cotton, Peanut Fields

Jerusalem Post Reporter

There are 1,000 jobs waiting for willing men and women in the cotton and peanut fields, the Ministry of Labour spokesman announced yesterday.

The Ministry and other interested bodies are financing the transportation of workers southward to the Lachish and Ashkelon areas from as far away as Lydda, Ramle and Jerusalem, he said. About 25 per cent of the cotton and peanut crops still remain to be picked, and every effort is being made to get them under cover before the winter rains begin in earnest.

No Rise Expected In Citrus Exports

Citrus exports this year should equal last year's eight million cases, while the fruit is expected to bring approximately the same prices, Ministry of Agriculture sources said yesterday in Jerusalem.

Competition from Spanish citrus will be twice as strong as in 1956-57, but the quality of the latter's fruit has still not recovered from the frost of several years ago, it is understood.

As reported earlier, the Minister of Agriculture has promised a premium of 250 pruta per dollar earned by citrus exports if prices fall below expectations.

The area under cotton will be expanded by between 20,000 and 30,000 dunams next year, largely in the long staple strains, the Ministry spokesman said yesterday.

Two Charged With Inciting Children

NAZARETH, Monday. — Two members of the local Communist Party, Razk Abdu and Minaim Abud, were released today from two weeks' administrative detention.

They will shortly be brought to trial for inciting local school children against the authorities. *(Itim)*

Russia Up to West's Standards 'In 10 Years'

Jerusalem Post Reporter

TEL AVIV, Monday. — Mr. Acharya Kripalani, the Indian Socialist leader, told a press conference here today that he thought the living standards in Russia would equal those in Western countries within 10 years.

"It would be difficult," he continued, speaking of his impressions of his recent visit to Russia, "to say how far the Russians enjoy democratic rights, which I suppose they have never had. But it often happens that a nation is satisfied with what it is normally able to accomplish."

Answering questions on the recent Communist victory in the Indian province of Kerala, Mr. Kripalani said it was purely a temporary success. Communism was not accepted by the Indian masses, he declared.

He revealed that at his meeting last week with Mr. Ben-Gurion, they had discussed Buddhism and Hinduism. But he had not seen the Prime Minister practising yoga "except that form called 'useful action' which does not necessarily require standing on one's head."

Israel impressed him for its unique social equality, the role of the kibbutz, and the constructive endeavours of organized labour. He saw Gandhi's teachings realized in the day-to-day life of the country.

SEARCH FOR OIL AT MT. TABOR

Jerusalem Post Reporter

The Israel Continental Oil Company has begun new drillings at Mt. Tabor, near the Arab village of Dabbouriya. The Company wishes to probe the Jurassic strata which occur here at a depth of 4,000 feet. Similar strata are found at Heletz at a depth of 10,000 feet.

The oil drilling at Motza, outside Jerusalem, has so far produced nothing. The drill has reached its maximum depth and a new one will be brought into use in a few weeks' time.

In Be'eri, too, the second gas drill has yielded no results, and it has been decided to exploit the first, successful, well and not to dig a third.

Meanwhile, it is learned that the board of the proposed Government-controlled public oil probing company will consist of seven to nine economists who will be nominated for a period of three years. It is expected that Mr. Y. Dagan, of the Reparations Corporation, will serve as managing director.

MT. HERZL BURIAL FOR 54 SINAI FALLEN

Jerusalem Post Reporter

The bodies of 54 soldiers who fell in the Sinai Campaign are to be laid to rest tomorrow on Mt. Herzl in Jerusalem.

The coffins are to be brought to Binyanei Ha'oomа at 1 p.m. They will lie in state there while relatives and friends file past.

At 1.45, Mayor Gershon Agron and Rabbi Avraham Shaag, Jerusalem Chairman of the Committee to Perpetuate the Memory of Fallen Soldiers, will deliver eulogies.

A 2 o'clock the cortege will leave for Mt. Herzl, where the burials will take place with full military honours.

The reinterment of the 54, about one-third of those who fell during the Campaign, in the Mt. Herzl military cemetery is at the request of their parents. The others were buried in the villages and towns where they lived. *(Itim)*

MEMORIAL SERVICE FOR HUSAN FATALITY

PETAH TIKVA, Monday. — A memorial service was held today at Yad Lebanim house here for Rav-Seren Moshe Efroh who fell during the attack on the Husan police station a year ago.

Lebanese Fishermen Jailed and Released

NAZARETH, Monday.— Four Lebanese fishermen were sentenced by a summary military court today to three months' imprisonment for infiltration. A fifth accused, a 15-year-old youth, was discharged.

The five Lebanese were caught on July 23 this year in two boats inside Israel northern territorial waters. They claimed that they had unwittingly strayed owing to the darkness.

In court, however, they changed their story and denied that they had been caught inside Israel territorial waters.

The fishermen, who are from Tyre, will be returned with their boats through the Israel-Lebanese M.A.C. since they have already been in custody for a period equal to their sentence. *(Itim)*

Escapes From Custody

NAZARETH, Monday. — An 18-year-old youth escaped today from Nazareth lock-up where he was detained on a charge of attempting to leave the country illegally. The police expect that he will again attempt to cross into Jordan to join relatives. *(Itim)*

Asian Flu Epidemic to Run Its Course, No Mass Inoculations

Jerusalem Post Reporter

The present epidemic of Asian flu is expected to run its course for a month or so, it was learned yesterday from Ministry of Health sources.

No definite date could be set for its expected conclusion, but in other countries the epidemic lasted about two months.

It was stated that since the first cases appeared on October 6, a total of 13,000 cases had been registered.

The Asian Flu Advisory Committee, meeting yesterday in Jerusalem under the chairmanship of Professor Walter Strauss, of the Medical School, decided that no justification exists at present for mass inoculations.

Jerusalem, Beersheba and Tel Aviv continue to be the areas hardest hit, with few cases reported in the northern part of the country.

But Nazareth yesterday reported many victims, especially among children.

The neighbouring villages also reported a high incidence of Asian flu. The three pharmacies in the town are dispensing drugs at an unprecedented rate. It is presumed that many more residents are relying on herbal cures.

In the Negev, settlement after settlement has been hard hit by the illness, and a few thousand persons have been confined to bed.

Yesterday large queues formed at Kupat Holim clinics in the South and Negev, creating a serious problem since a number of the medical staff had also been taken ill.

From Beersheba it is learned that Kupat Holim doctors were asked to undertake 400 home visits. So far, the cases have been mild and no one has been hospitalized.

In the country as a whole, very few complications have been reported.

The Hadassah Medical Organization recommends the public to cut down hospital visits to a minimum to reduce the risk of infecting patients.

Joint to Begin Work In Poland Next Month

PARIS, Monday (INA). — Some 250 Jewish community welfare leaders from all parts of the world assembled in UNESCO house today for the 13th annual country directors conference of the Joint Distribution Committee. They heard the U.S. Ambassador to France, Mr. Amory Houghton, commend the organization's welfare programme and activities. JDC director Charles H. Jordan told the conference that a committee representing every branch of the Polish Jewish Community has been established to work with the Joint in Poland and that activities would start in November with the inauguration of a feeding programme for children.

"Our immediate concern will be for those newly repatriated from Russia at present numbering 10,000, with many more thousands to follow," he said. Unlike their non-Jewish neighbours Jews return to find neither relatives nor friends, since practically all were wiped out by the Nazis.

Over 100 members of a U.J.A. Study Mission are here for a few days on their way to Israel.

Zionist Council To Meet in March

The Zionist General Council is to meet in Jerusalem next March. It will be preceded at the end of December by a meeting of the inner Zionist General Council devoted to immigration and absorption problems. This was decided by the Jewish Agency Executive at its weekly meeting in Jerusalem yesterday.

The Executive also discussed current immigration problems and Tenth Anniversary celebrations.

4-Octave Yma Reveals Spanish-Jewish Blood

Jerusalem Post Reporter

TEL AVIV, Monday. — Yma Sumac, the four-octave Inca singer, declared today that the acoustics in the Mann Auditorium are the most wonderful she has ever heard and "the echoes are mostly my own."

Meeting the press, following her first two performances, which were slightly marred by the remains of Asian flu, the almond-eyed Peruvian singer expressed her gratification at singing before an Israel audience and revealed she had Jewish blood, her family having escaped the Spanish Inquisition. Then, the voice that intrigues audiences with vocal acrobatics and vari-toned imitations of jungle birds delighted pressmen with a few bars of Hatikva, sung in rich tones with obvious emotion.

Search For Man Who Left Baby in Hospital

The Jerusalem police are looking for a man who brought his sick two-month old son to Bikkur Holim hospital last August and refused to take him back after he had recovered.

The father, Aryeh Sekel of Castel *ma'bara*, refused on the grounds that in the meantime he had divorced his wife and was not prepared to look after the child.

The hospital authorities called in the police who decided to arrest the father for desertion of his child. The father had in the meantime disappeared. *(Itim)*

Aloni Beats Dinner

TEL AVIV, Monday. — In the National Chess Championships at Beit Sokolow, the central game in the 13th round was won by Aloni, who defeated Dinner after more than five hours of play. The game ended late tonight after having been adjourned once while Aloni had the advantage.

In the other games, Porat beat Kreidman, Czerniak beat Rosenberg, Cahane beat Ettinger, and Shaki beat Shachar. The leading scores are now as follows: Porat and Aloni — 10; Dinner and Czerniak — 8½; Pilschik — 8 and one unfinished game; Smiltiner — 7 and one unfinished game; Kreidman and Shaki — 7 points each.

The 14th round will be played on Wednesday and the final one on Friday.

Restaurant
Pension
"Ganei Shimshon"
Ashkelon Tel. 154 Afridar
invites you to spend a late summer-holiday at specially reduced prices. 5 DAYS — ONLY IL54 including taxes and services.

THE ISRAEL PHILHARMONIC ORCHESTRA
HAIFA, Armon Theatre, TONIGHT, at 9 p.m.
Subscription Concert No. 1
Series "3"
Conductor: BERNSTEIN
Soloist: ISAAC STERN
Programme: Bach — 5th Brandenburg Concerto with
L. BERNSTEIN (Piano)
I. STERN (Violin)
U. TOEPLITZ (Flute)
Beethoven: Violin Concerto — Sibelius: 5th Symphony
A limited number of subscription tickets available at I.P.O. Offices, 33 Rehov Heral. Single tickets obtainable at Ginsburg-Yuval, 25 Rehov Heral and at theatre box-office tonight.
NOTICE: Part of the Tel Aviv Office at 56 Allenby Road is still open.

Town Sues for More Rent, Ordered to Charge Less

BEERSHEBA, Monday.— The Municipality was today ordered by the local rent tribunal to lower a shop rental and reimburse the tenant retroactively from January 1, 1957, after it had applied to the court to raise the rental.

The tenant, Mr. Yehuda Yehuda, who in addition to IL1,500 key money, paid IL21 per month rent to the Municipality, refused to pay the IL9 per month increase demanded of him. The Municipality applied to the rent tribunal for redress, but found itself obliged instead to pay costs and lower the rental to IL16 per month from the beginning of the year.

This action served as a test case on behalf of 12 tenants in the same building.

Dosh's 'Li'l Israel' Helps Tenth Year

The Tenth Anniversary Committee has acquired the right to use for publicity purposes the "Ma'ariv" and *The Jerusalem Post* cartonist Dosh's typification of Israel—the diminutive sabra with the *tembel* cap.

The Committee intends offering the use of the cartoon figure to commercial and public enterprises for their advertising during the year. The proceeds will go towards meeting the costs of Anniversary celebrations.

Haifa Council Elects 'Tenth' Committee

HAIFA, Monday. — The City Council last night did actually elect a Tenth Anniversary celebrations committee, the Municipal spokesman told *The Jerusalem Post* today. But the 21-man committee will be able to decide whether more members should be co-opted, as various councillors have demanded. (It was reported yesterday that the election was postponed owing to disputes over representation.)

MAPAI SWEEPS BOARD IN HAIFA PORT

HAIFA, Monday. — Mapai retained all 31 places on the Haifa Port workers committee for which elections were held today.

About 90 per cent of the 1,000 eligible voters took part in the election which was on a personal basis. Ahdut Ha'avoda and Mapam polled 17.5 per cent of the votes. The election was calm.

Leaves Cocked Gun On Balcony

TEL AVIV, Monday. — For leaving a loaded and cocked small-bore rifle on the veranda of his house, Abraham Ashulin, 33, of Kiryat Shalom, was today fined by the Magistrates' Court IL150, with the alternative of three months' imprisonment.

His 10-year-old son had picked up the rifle and fired it, severely wounding an eight-year-old playmate, David Cohen, in the stomach. *(Itim)*

Five Small Girls and Woman Hurt in Haifa Bus Crash

Jerusalem Post Reporter

HAIFA, Monday. — Five small girls and a woman were injured at noon today when a Chausson bus got out of control and crashed into them on the pavement in Herzliya Road.

Three of the girls were seriously injured and have been detained at the Rothschild Hospital. The others were only slightly hurt.

The bus, which was being tested by Yehoshua Ben-Avraham, 22, was coming downhill from U.N.O. Avenue, and as it turned into Herzliya Road, the driver lost control. The vehicle whisked away a "Halt" sign, and uprooted an old olive tree. It then mounted the pavement and ran into the group of girls, who were going home from school, and the woman who happened to be walking next to them. There were no passengers aboard the bus.

The girls were pinned under the vehicle and the crowd that gathered lifted the bus to release them. By chance, the head of the Traffic Police, Mr. M. Shlaski, heard the crash as he was driving through a nearby street and immediately rushed to the scene. He arrived within seconds of the accident and was able to establish various details of the mishap.

According to the police, Ben-Avraham holds no bus driving licence. He is an Egged garage mechanic and was taking the bus for a test, apparently after repair. He was detained.

The injured are: Aviva Berman, 7, of 45 U.N.O. Avenue, who has a fractured skull; Irit Varsa, 6, of the same address, who suffered a fractured leg; Esther Aniks, 7, of 37, U.N.O. Avenue, who is now out of danger; and her four-year-old sister, Hassia; Miriam Barer, 9, of 31 Rehov Herzliya and Rahel Positzka, 53, of the Caesaria Ma'bara, who were all slightly injured.

Mr. Shlaski told *The Jerusalem Post* tonight that the corner was dangerous, and the scene of many accidents. Protective rails would prove of much use, since a car crashing downhill would easily go through them, just as the bus had uprooted the "Halt" sign. However, the police were examining the possibility of other preventive means, possibly raising the pavement.

Bus Injures Man Near Degania

TIBERIAS, Monday.—A pedestrian was seriously injured by an Egged bus this morning while crossing the road near Degania on his way to work.

The injured man, Shlomo Halsin, 31, of Tiberias, was given first aid at the local Magen David Adom station and then taken to the Poria Hospital where his position is reported to be grave. The bus driver was detained for questioning. *(Itim)*

Ten Years' Jail For Killing Sister

HAIFA, Monday. — A Druse soldier was today sentenced to 10 years in prison for killing his sister "to uphold the family honour."

Fawaz Kheir, 27, of Peki'in village, came home on leave last March to learn that his sister, Fatmeh, had been pregnant and had had an abortion. When alone in a room with her he stabbed her seven times. He protested in court that she had committed suicide.

The District Court changed the charge of premeditated murder to manslaughter, holding that the events leading up to the killing had not been made clear by the prosecution. The President of the court, Judge Y. Asulai, took an hour to read the judgment. Mr. A. Hoter Ishai and Mr. B. Sagi appeared for the defence and the Deputy District Attorney, Mr. S. Dori, for the State.

Kastner Murder Trial Resumes

TEL AVIV, Monday. — The trial of Yoseph Menkes, Ze'ev Eckstein and Dan Shemer, accused of the murder of Israel Kastner, will be resumed in the District Court tomorrow morning, with Relieving President, M. Kennet and Judges Y. Gavison and Y. Zundelewicz on the bench.

The remainder of the witnesses for the prosecution will appear tomorrow.

The trial will continue daily until November 15, when there will be a recess until December 1. *(Itim)*

PETAH TIKVA HAPOEL WIN 2-1 IN BURMA

RANGOON, Monday (Reuter) — The Petah Tikva Hapoel football XI beat a Burmese team 2-1, today, Hapoel led 1-0 at half-time.

REQUIRED
by childless couple
2-3 roomed
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Please write:
Verner Andersen, c/o Government House, P.O.B. 490, Jerusalem or phone 4475, from 8 a.m. to 6 p.m. and 63752 from 6 p.m.

CELLIST. — An American cellist, 26-year-old Leslie Parnas, won the 350,000 francs first prize in the three day international Prix Pablo Casals which ended in Paris on Sunday night.

Berlin Councillor Here For 2 Weeks

LYDDA AIRPORT, Monday. — Mr. Joachim Lipschitz, a Socialist member of the West Berlin City Council, arrived today for a fortnight's visit as the guest of the Finance Ministry and the Shlumim Corporation.

He was accompanied by Dr. M. Thon, adviser to the West Berlin Council and director of its compensation office.

Mr. Lipschitz, reported to have been responsible for speeding up compensation to Jewish victims of Nazism in West Germany and Berlin, has been an outspoken fighter against resurgent Nazism. *(Itim)*

TOURISM UP IN SEPTEMBER

During September, 5,582 tourists entered Israel as compared to 3,583 during the same month last year, it was announced yesterday. September also brought 4,146 immigrants (3,356 last September) and 6,112 returning residents (4,731).

The number of Israelis going abroad for various purposes was 4,576 (3,507 last September).

During the first six months of the current fiscal year (April to end of September), 5,045 persons (4,700 Jews) emigrated from Israel and 42,616 immigrants (1,474 non-Jews) arrived. The number of emigrants in September was 474.

Ma'bara Dwellers Protest After Fire

HAIFA, Monday. — Several dozen residents of the Kiryat Nahum *ma'bara*, where a two-old boy was burned alive yesterday in an unattended hut, staged a protest march through Hadar Hacarmel this morning. They carried remnants of the charred hut and the baby's clothing. They said that if they had had houses instead of huts, the accident would not have happened.

Several clashes occurred when police began to disperse the demonstration, which was not authorized. Two demonstrators and three policemen were slightly hurt.

RAIN FELL for about an hour in the Negev on Sunday evening. In Beersheba, 1.6mm. were registered.

Toujours La Politesse

TIBERIAS, Monday. — After three unsuccessful attempts had been made in recent weeks to break into the local Mif'al Hapayis booth, the Management put up the following notice:

"To the burglars: We hereby inform you that there is no point in breaking into this booth as lottery tickets are available only during sales hours. We wish to express our regret for the waste of your precious time." *(Itim)*

IL700 Fine For Running Brothel

TEL AVIV, Monday. — For living off the earnings of a prostitute and conducting a brothel in his flat, Zvi Rochberg was today fined IL700 by Magistrate Y. Zohar.

A young woman found guilty of soliciting and of keeping the brothel together with Rochman was fined IL-250 and Rafael Klaski, 19, was also found guilty and fined IL50 for being a party to the crime. All pleaded guilty.

The trial took place in *camera*. *(Itim)*

Knesset

(Continued from Page One)

should continue to discriminate against Israel and to ignore her existence.

Pointing out that "man is no longer dependent on the blind fortunes of nature," Mr. Ben-Gurion said he hoped that the Negev and southern area of the country would be fully developed, ultimately, with the aid of atomic and solar energy. (Text of Premier's speech on page 2.)

The Knesset got down to legislative business yesterday immediately following the Prime Minister's statement and passed the first reading of an amendment that will allow local authorities to levy a business tax on all firms located within their areas, even if a firm's management is located in another part of the country. It was passed by the votes of the Coalition with the General Zionists and Herut voting against.

The Amendment to the Local Authorities Ordinance (Business Tax), introduced by the Minister of Interior, Mr. Y. Bar-Yehuda, is aimed principally at the branch stores of large firms.

Opposition in the debate centred mainly aruond two clauses in the amendment. The first stipulates that if a businessman appeals against his assessment to the Business Tax Tribunal, the latter is entitled, after examining the evidence, to increase the tax. The second controversial clause stipulates that a businessman must pay half his assessment before he submits his appeal.

Mr. A. Altman (Herut) declared that the present burden of taxes was unbearable and that no new levies should be added.

Mr. E. Ichilov (General Zionist) said the amendment was unjust and should be returned to the Government. It did not guarantee that a branch could be taxed only according to the volume of its business in one locality, instead of on its national volume of business.

Mr. David Hacohen (Mapai), declaring that he could not support the amendment in its present form, stated that it did not define what was a "business" or even "locality." If left the way open for a local authority to tax a transport company that delivered merchandise within the area or an industrialist who distributed his goods to retailers in various parts of the country.

Mr. Moshe Erem (Ahdut Ha'avoda) called for a higher business tax ceiling than the present IL2,000 and for objective criteria within the law for the tax assessment.

Mr. H. Rubin (Mapam) said that the privilege of appeal was endangered by giving the tribunal the right to increase the tax, especially in view of the fact that the tribunal was appointed by the local authority.

Mrs. E. Wilenska (Communist) said the present ceiling should be raised to IL6,000 and declared that businessmen whose monthly earnings did not exceed IL400 should be exempt from the tax.

Mr. S. Shoresh (Mapai) lauded the tax as an important financial aid to local authorities who had to deal with immigration and absorption problems. As to the powers of the tribunal, it had every right to determine that a mistake had been made in an assessment and raise the tax, he said.

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Married

London, Oct. 22, 1957

Mrs. Millie Sarna

passed away in London on Friday, October 11, Tishri 16, after months of sickness patiently endured. May she rest serenely, even as she lived.

Jacob Sarna, London
Osias and Rachel Arsten and children, Kfar Bialik
Shalom and Aviva Segal and children, Ahusa, Haifa
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Economic News from Abroad

Saving Cement's Fuel

● A novel method of cement production, invented in Germany and perfected in Britain, has been introduced at a new factory of the Blue Circle Group. Instead of grinding the limestone and shale with sufficient water to make a free-flowing slurry that is then fed into the kiln, the raw materials are dried and ground to form a fine powder and then, with less water added, made into small nodules. In this way fuel consumption is reduced by 40 per cent and the ensuing savings more than offset the bigger capital costs.

Soviet Tourism Both Ways

● Soviet authorities continue to develop foreign tourism in the U.S.S.R. as quickly as travel, hotel, guide and other facilities permit. From 92,500 foreign visitors in 1955, the number rose to 485,000 last year, and is expected to reach 530,000 in 1957, including the 30,000 foreign participants in the Youth Festival. Soviet citizens are also allowed to go abroad in bigger numbers, though foreign currency allocations for this purpose remain limited. In 1956, 561,000 Soviet citizens went abroad, 89,000 of them for pleasure, medical or family reasons.

China Backs Agriculture

● China's second Five-Year Plan (1958-62), now under high-level revision, will include a drastic switch from large-scale enterprises to small and medium-sized industrial units, and a drive "back to the land" which is to include a propaganda campaign to persuade students that farm work can be more patriotic than office work. Capital investments in rural projects and in peasant handicraft industries are to be increased, and surplus farm labour is to be transferred to sparsely settled regions in the west of the country and not to towns, where the employment situation is becoming increasingly tense.

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27 Tishri, 5718. 27 Rabia-Awal, 1377

WHEN the festivals end, economic manoeuvring begins. This is the time when next year's State budget is being drafted and the trade unions' policy on renegotiating the annual wage contracts is decided. This is also the time when the current budget has run its course long enough for its effects to be noticeable and the defects of its underlying policy, if any, to be visible to the naked eye, though this last condition perhaps presupposes a financial discipline and a parliamentary control over Government spending not yet fully achieved.

MUDDLING THROUGH

A case in point is Mr. Eshkol's recent announcement that cost-of-living subsidies may reach IL70m. in the current fiscal year, instead of the IL56m. approved, and export subsidies IL25m., as compared with IL13m. provided for in the budget. Only a few pedants would expect Government revenue and expenditure to follow the Estimates closely and proclaimed policy to be adhered to in anything more than a general way. Already there are discussions of a supplementary budget — not to switch economic principles, but to sanction past deviations from them. Small wonder that the longer these practices persist, the less importance is attached to economic policy statements.

The difference between the general line and particular practice looms large in the field of wages and prices, too. There is obviously little prospect of the renewed general wage increase suggested in some left-wing quarters, but the trade unions are determined not to yield an inch of their present position, consoling themselves and the public with the hopeful argument that eventually all economic shortcomings will be healed by rising productivity, in which they are now ready to lend a hand. But will this policy of stable wages and rising output, which many economists regard as the last defence ditch of sound economy, stand the test of the prolonged prosperity we now enjoy, in spite of all odds? Trade unions never bothered (why should they?) to prevent individual wage increases, and as a result wage-scale agreements tend to wither away whenever a prolonged shortage of skilled workers occurs, even though no official notice is taken of the process until it is too late to do anything but acknowledge its results. A similar and related movement in the commodities and services markets may undermine price stability in spite of all subsidies and controls. And nobody with his ear to the ground can deny that such a tendency is spreading in Israel, though shrugged off by the authorities. A gala State Anniversary, parading a happy country, may easily be followed by relative economic collapse, as did the carefully nurtured prosperity of the pre-election period two years ago.

Mr. Eshkol may justly take pride in his feat of staving off a rise in the cost of living and a consequent IL250m. jump in the country's wage bill by means of much smaller subsidies. But we should also ponder the eventual consequences of such a policy even if it has proved successful. For it means recognition of the fact that the domestic purchasing power of the pound is much lower than its official rate of exchange, that this difference is ever increasing but that no one need worry about it because the burden has been shouldered by the Treasury. But can we follow this trail indefinitely? Already some exporters are claiming a premium that would bring the rate of exchange to almost IL3 per dollar, and the prospect of straightening out the situation by increasing productivity recedes ever further into mythical spheres.

Mr. Eshkol and Dr. Arnon have spoken brave words about the necessity of having an economic policy, but the prevalent practice is to muddle through until we are strong enough to afford such a luxury. This may be a calculated risk on the part of some policy makers, but there are many others who are simply taking advantage of the situation while it lasts.

Residents of East Berlin exchanging their currency for new banknotes, following the recent decree of the East German Government. All roads between East and West Germany were blocked while the exchange went on, in an effort to prevent exchange profiteering.

Express Photo

Economic Advisability of Steel Town Debated

By Our Economic Editor

EXCEPT for the Jordan Diversion Scheme, the Israel Railways and the Palestine Electric projects, the "Steel Town" venture is the biggest enterprise planned in this country to date. It is already nearing completion. According to the Treasury's Economic Advisory Group headed by Mr. Erdreich, the total investment involved will reach about IL121m., more than half of it in foreign currency, at a conservative estimate. Koor's own estimate, which cannot be suspected of exaggeration, reduces the figure to IL52m., including $14m. Even this amount would, however, almost equal the combined investment in the Dead Sea Works and in Fertilizers and Chemicals. The project has been planned to provide permanent employment for at least 1,000 people (including 720 workers in direct production jobs) and to save up to $8.4m. in foreign currency a year, i.e. 40 per cent of the total added value earned by our industrial exports in the last financial year.

These quantitative indications do not, however, adequately express the project's economic importance, for it has been conceived with a view to setting up a heavy industry in Israel (which at present exists only in the field of chemicals) based on the supply of local ore and providing for the integrated production of all kinds of iron and steel goods.

Scanty Publicity

The small amount of publicity accorded to this centre piece of our industrial programme is rather astonishing. When the first part of it, the steel rolling mill, was started back in 1952, a critical report was presented by the then Economic Staff under Oscar Gass, and a short public discussion ensued. However, the matter was not followed up, while the development work proceeded with little attention paid to it except by specialists. This smooth progress was possible because relatively small amounts of State funds were invested in the project in the early stages (though they may exceed IL10m. by now), most of the capital being provided by the Histadrut's industrial concern. It was only in July last that, instead of a festive opening of the pig iron plant, a bombshell exploded in the form of "an economic appraisal" by the Treasury's experts, ending in a devastating criticism of the entire project's economic advisability, and a rather gloomy recommendation to invite "a highly competent foreign consulting concern" for "a complete technical re-examination of the project."

To this the Koor management has been forced to publish a detailed reply, as a result of which the public is able for the first time to get a clear picture of the ambitious scheme and the problems inherent in it.

There is no question that this procedure is rather odd, to say the least; it puts our economic planners in an awkward position. One can hardly see the use of critical comment coming almost *post festum*, and one wonders why no similar survey has been made before. This feeling is enhanced by the fact that the Erdreich Report is called a "first interim" one, and has evidently been prepared in haste. Moreover, both Mr. Erdreich and Koor lay stress on the lack of co-operation between the expert and the surveyed enterprise which would, in any case, undermine the reliability of the eventual findings. As Mr. Erdreich has presumably been asked to investigate the matter not in his private capacity but as an "Industrial Adviser to the Minister of Finance," one is led to some strange thoughts about the prevalent relations between ministers and their advisers.

Koor rightly point out that Mr. Erdreich has grossly over-rated the project's capital requirements. According to his (conservative) estimate, IL5.8m. will be required for the Menara ore mining and concentration plant, IL7.9m. for the sintering plant and storage facilities at Acre, IL8.6m. for the pig iron plant, IL8.7m. for the steel smelting plant and IL15.9m. for the rolling mill, i.e. a total of IL46m. including $16.4m. in foreign currency. Including working capital, the figures would be IL64m. and $21.4m. However, to this amount must be added initial expenses, which Mr. Erdreich estimates at IL18.3m. (including $8.9m.), and ancillary investments in a power plant and in transport of ore concentrates from Menara to Acre (including road improvements) which are put at another IL20.8m. ($6.4m.). That is how the staggering amount of IL121m. (including $36.7m.) is arrived at.

Initial Expenses

The Koor reply does not differ substantially from these estimates, as far as fixed investments in the mining, sintering, pig iron and steel smelting plants are concerned, but points out that on the strength of actual figures the rolling mill would cost much less, thus arriving at a total of IL43.2m. including $12.2m. in foreign currency. It states also that initial expenses in the steel smelting plant and in the rolling mill amounted to only 9 per cent of the fixed investments, and on this basis estimates the total item at IL3.5m. (including $1.7m.). Though there seem to be some differences in the notion of "initial expenses" between the two documents (the Koor estimate does not include the ore concentration plant which accounts for ILo.8m. in the Erdreich report), the gap between the respective figures is too big to be so explained.

Similarly, for working capital Koor assume — again based on practical experience — IL5m. only — slightly over a quarter of Erdreich's figure. Their total estimate for the project is IL52m. (including $14.2m.), some 20 per cent below that of Erdreich.

For the required labour forces there are even bigger differences which could have easily been removed, or at least reduced, by proper checking. Against Koor's figure of 1,000 employed, including 720 in production, Erdreich assumes 1,400 and 1,336. Here again Koor asserts that practical experience in the existing plants has shown labour productivity to be much higher, and the cost of a man-hour much lower, than the standards assumed by the Treasury expert. As labour costs and charges for depreciation and interest on capital — including working capital and initial expenses — account for between 22 per cent of conversion cost (in the pig iron plant) and 60 per cent (in the sintering plant), and for 25 per cent of the ore mining costs according to the Erdreich report, it is small wonder that he arrives at production costs considerably higher than those assumed by Koor.

Up to this point the debate had a comic touch, and the differences could be reconciled in the end by the simple expedient of drawing on actual experience. There is, however, another part of the argument, in which the opposing views stem from a tragic gap between the private and national approach to the issue. This refers, first to the ancillary investments in transport and power plant which the Koor management does not include in its estimates, claiming that they have to be charged to the nation's general development account and not to that of any specific industry or enterprise. As a matter of fact, this is in most cases the accepted practice in this country, but that does not necessarily mean that it is the economically correct one. The point may appear somewhat theoretical, but in many cases it has played a tangible and important role. Thus one of the main obstacles to the resumption of work by the old Potash Company was its inability to raise the capital required for building the road to Beersheba and erecting the housing estate for its staff; and in the end this outlay was made by the Treasury and not by the nationalized Dead Sea Company. Similarly, it is at least a moot point whether an additional demand for power amounting to 240,000,000 kwh. a year, i.e. almost a quarter of the present national total, should or should not be borne by the "general development" expenditure in its stride.

The question assumes increased poignancy as regards the price of pyrite ashes and of scrap which have been envisaged as important raw materials for the steel production. In both cases Erdreich's calculation is based on world market prices, i.e. the proceeds in foreign currency which could be obtained for the national account. Koor's calculation, however, is based on the prices actually paid by (or asked from) them, the difference being 30 per cent for the pyrites and over 30 per cent for scrap. To this they are of course fully entitled from a private point of view. Nevertheless, Mr. Erdreich was presumably called in not to verify Koor's profit prospects, but to check them from the point of view of the national economy.

Low Price

Thus we come to the major point of the power tariff. The Koor production plan is based on the assumption that it will pay no more than 13.5 pruta per kwh. for electricity, which is said to be "the international ceiling price for the price of current used by such an industry," whatever that may mean. As a matter of fact, this price happens to be about 40 per cent of the P.E.C.'s average income per unit of current sold, and about 60 per cent of the average price of current for irrigation purposes. Koor declare that this low price is nevertheless justified because increased consumption and a steady one — in particular in the off-peak hours — enables electricity companies to spread overheads and to reduce production costs by better utilization of the generating plants.

However, Mr. Erdreich calculates that taking the present cost of fuel, c.i.f. Israel ports, and allowing for minimum expenditure on maintenance, supervision, depreciation and interest, the P.E.C. cannot produce electric current at a price below 27 prutot per kwh. While Koor cite chapter and verse of an offer made by the P.E.C. as long ago as June 1955, he retorts that the quotation made then was on the basis of a series of specific conditions, some of which no longer prevail, and that even though P.E.C. should have agreed to grant Koor exceptionally favourable terms, that would not alter the economic facts, i.e. the actual cost of electric current to Israel's economy. Meanwhile, Koor's steel smelting plant is about to be equipped with electric furnaces, and every pruta in the power tariff exceeding the assumed 13.5 pruta per kwh. must increase the price of steel billets by IL2.275 per ton. With a power price of 27 pruta kwh. that works out at a steel price of IL215, according to Koor's own estimates (while Mr. Erdreich arrives at a figure of IL284.7 per ton), as compared with IL184.3 for a power tariff of 13.5 pruta assumed by the company.

Superimposed on this basic controversy there is an intricate argument between the Industrial Adviser and Koor's management on the prevailing steel prices and their future prospects, in which the Adviser takes, of course, a more cautious attitude while they reason from a more optimistic approach. Instructive as the argument is, it boils down to the inescapable problem of entrepreneurial risk, which must be faced and challenged whenever an industrial project is going to be set up. But whether the capitalist is in a position to calculate the pros and cons of his venture correctly depends on the set of economic conditions within which it operates.

Mr. Erdreich has calculated that even under the unfavourable conditions assumed in his report, the Steel Town project as a whole would bear modest profits, due to the high customs tariff on imported steel bars amounting to 30 per cent of c.i.f. value plus IL70 per ton, i.e. over 50 per cent altogether. By allowing the steel industry to benefit from this protection, the Treasury would, however, deprive itself of a substantial revenue of some IL13m. a year. The situation thus would be similar to that of the Hadera paper mill, with the difference that the Government would hardly dare recoup itself for the lost revenue by levying an excise duty on home produced steel (though one never can tell...). If the project's data were corrected in accordance with the actual investment and productivity figures, the resulting profit for Koor would correspondingly increase.

Subsidies

However, in order to get a correct picture from the point of view of our national economy, the whole warping element of subsidy must be eliminated. Only then can the Steel Town project be compared with other ventures competing with it for capital, foreign currency etc., its relative priority be established and alternative technical methods of production taken into consideration. Mr. Erdreich's admittedly interim conclusions were that the project's foreign currency savings would be much less than expected, at a much higher cost per dollar saved, and with a relatively high amount of capital invested per worker employed. He suggested that better results might be achieved by employing non-electric furnaces and by increasing the work's productive capacity. Although it is now obvious that many of the data used by him must be corrected, it is only by applying his approach that a correct picture can be arrived at.

The need for such an analysis would have been less vital if the present price and cost structure had not been ridden with controls and subsidies, making it a poor guide for any unsophisticated investor. For a project of the size and importance of the Steel Town such a scientific appraisal should have been made especially and especially thoroughly. Coming late as it does it can hardly be more than a pathetic reminder of the omissions and commissions of our economic planning.

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Agency Budget Up, But Less for Settlement

Jerusalem Post Staff

AFTER prolonged discussions, the Jewish Agency's half-yearly budget for the period ending next March has been fixed at IL92.5m. for spending in Israel and IL8.6m. for expenditure abroad — excluding IL20m. ($11m.) scheduled for repayment of debts. Compared with the Agency's last budget year, this is an increase of IL1.35m. per month, i.e. 7 per cent. Nevertheless, the Agricultural Settlement Department, which is responsible for the main part of the Agency's direct spending in this country, is to get a much smaller amount — IL-31m., which is a cut of 18 per cent on a monthly basis.

This reduction is explained by the fact that Government participation in the settlement budget, amounting to IL20m. in the current financial year, was all accounted for by the end of September (i.e. in the Agency's past budget period) and the present interim budget must be financed from the Agency's sources alone. However, this contingency should evidently have been foreseen and can hardly be the real reason for the reductions.

The Settlement Department's draft budget proposed for the six-month period amounted to IL61m., almost twice as much as the eventual allocation. It included IL4m. for new settlements planned in Galilee and in the south, all of which have been suspended for the time being. But other projects will also have to be reduced considerably, though the final shape of the budget thus reformed has not yet been fixed.

It should also be remembered that several items included in the budget are of a recurrent nature, such as the Agency's participation in the defence costs of border settlements, in agricultural schools, in outlay for strategic roads, etc. which can hardly be reduced overnight. As a result, the specific development expenditure must bear the brunt.

Specially interesting is the survey made by the Settlement Department to get a clear picture of the present status of young settlements and their consolidation requirements. It showed that the 336 settlements concerned (90 kibbutzim and 246 moshavim) are short of more than a third of the cowsheds required by the farm schedules, and more than half of the barns. For poultry, the shortage of buildings is equally acute. And in the moshavim only one in five of the settlers themselves has more or less satisfactory accommodation.

Irrigation facilities must also be expanded by a quarter in order to cover the crop acreage scheduled. Moreover, the number of cattle in the settlements is short of the standard by one third; sheep are down by two thirds and work animals by a quarter. Altogether the required stock and equipment in these items amounts to about IL100m., of which IL15m. had been included in the Settlement Department's draft budget.

The survey includes, however only about 15,500 farm units of the 32,000 units still subsidized by the Jewish Agency in one way or another. And the estimated cost of additional equipment required for bringing these farms up to standard, does not include ancillary investments and some other items. In any case, a figure of IL400m. has been mentioned by Dr. Joseph the Jewish Agency's Treasurer, as the amount of capital necessary for making all existing young settlements viable agricultural units.

Originally, the consolidation programme was planned to be spread over a period of five years, but evidently it will take longer in view of smaller means available. A complete farm unit now costs at least IL30,000 (including the dwelling) of which at least IL12,000 have to be invested in the first year.

The Agency's housing budget, at IL26m., has also been fixed below what is regarded as necessary in view of the present (reduced) rate of immigration. Though it will be enough to cover the housing programme for immigrants arriving in this country up to the end of March 1958, no provision has been made for starting buildings for people arriving after that date.

Stocks and Commodities

Steady Prices in Tel Aviv

THE nervousness on the foreign stock markets on account of the Middle East developments has not affected the Tel Aviv market. Prices in the Gilt-Edged section were steady. The drop of the September index by one point was not felt particularly in the Cost-of-Living index linked. Tavel Dollar fluctuated slightly and finished on Sunday better than last week. On the other hand, Ata and Kurdaneh shares continued to lose ground and came down on Sunday to a new all-time low of approximately 78 per cent. Also weaker were Palestine Brewery debentures and Nesher B debentures, Assis ordinary shares, Potash, Palestine Cold Storage, Delek and others. I.O.F.'s were steady at around IL16.

N.Y. Affected by Middle East Developments

AFTER some fluctuations during the week, New York at weekend touched the lowest levels for two years, on account of the recent Middle East situation. The nervousness which was apparent in the past week, developed into a selling wave and all attempts to rally proved short lived. Disappointing third quarter reports on business also helped the slump.

Dow Jones average for 30 Industrials was 436.87 as against 441.16 last week.

London Weaker in Absence of Buyers

THE international political situation brought prices tumbling on the London Stock Exchange. Although selling has not been heavy, there was a complete absence of buyers. During the week there were a few good features in the industrial section, while oils were particularly hit.

Reuter's U.K. index for Gilt-Edged was 69.9 as against 70, and Industrials 185.5 as against 199.6. The £ continues firm against $, but irregular in terms of the continental currencies. The official premium on the $ securities was down to 8½% per cent.

Tel Aviv Stock Market

OCTOBER 21, 1957

Pop. Loan 1949/59 (IL10)	100¼
4% Comp. Loan 56/67	73¾
3½% Comp. Loan	89
3½% War Loan 54/59	95
Pal. Bearer Bds. Ser 3	95½
3½% Tavei Dollar z)	84½
4% Reg. Sterling "A"	97½
Def. Loan Bonds 61% f)	101¾
4% Def. Bonds f)	102
6½% Def. Bonds g)	102¾
6½% Loc. C. Debs. f)	99¼
6½% Loc. C. Debs. g)	100
Pal. Elec. pref. sh. (Ldn.)	218
6½% Bonds 58/65 f)	103¾
ditto g)	111½
Keren Hayesod	
6½% Deb. 58/65 f)	101½
ditto g)	108¾
Igroth Ltd.	
6½% Deb. 58/65 f)	102½
Rassco 6½% Deb. 58/64	
Class "A" f)	101
Class "B" g)	106¾c)
Bk. Leumi ord. sh.	152
Bearer Savings Cert. '59	91
A.P.B. Investment	
4½-6% Cen. Deb.	73½
Ord. sh. 'B' reg.	98
Gazit ord. sh. 'B' reg.	80
Ellern's Inv. ord.	144
Geo. Mortg. Bk. ord. sh.	74½d)
Bisar 4% debs. 56/65	80½
Nir 5% pref. sh.	94½a)
Paas 4% debs. 60/64 reg.	75½
"Inva" 5% debs.	76
Afr. Pal. Inv. ord. sh.	55½
L.L.D.C. ord. sh. reg.	73
5% debs.	73¾
Rassco 6% pref. ord. sh.	89½
Ata ord. "B" sh.	76¼
6-8% con. debs.	91
"Kurdaneh" ord. "B"	76
7% con. debs. 59/68	77
Moller ord. sh. reg.	290
Pal. Brewery 8% con. debs.	84½
Assis Bejarano "B" sh.	79½
Nesher 6% debs. "A" 55/64	115
Pal. Potash "A" ord. sh.	80
"Tova" ord. sh.	95
Pal. Cold St. ord. sh. reg.	138½
Delek ord. sh. "C"	83½
Pal. Constr. 8% debs.	97
Mehorot pref. sh.	71
Jordan Exploration Co.	
Ord. sh. reg.	330

Notes: a) purchasing price; b) selling price; c) ex. coupon; d) ex-dividend; e) ex-right; f) linked with $; g) linked with C.o.L.; x) in % of IL1,800.

Big Banks Take Lead in Savings

Jerusalem Post Reporter

SAVING has become a popular catchword in recent years, yet only a few institutions are actively engaged in this field, and most of the fixed deposits that have been steadily accumulating are concentrated in the big banks. This situation is different from that before the world war. Then it was the cooperative credit societies which were leading in the encouragement of savings. They had close contacts with the "small people," were ready to pay high interest rates and devised various long-term saving schemes, some of them with premium bonds etc. The extension of credit control to include the cooperative banks has, however, put an end to this activity. On the other hand the big commercial banks have taken the lead and devised the new saving forms adjusted to the special needs and circumstances of present-day Israel. It was the Israel Discount Bank which almost three years ago started the first popular saving scheme, in the teeth of sceptics who doubted the readiness of the public to forgo spending to accumulate cash reserves and earn some interest in the process. Nevertheless the scheme was successful and today the Discount Bank and the Bank Leumi command by far the biggest part of the twenty-odd million pounds deposited under the various long-term saving schemes.

That these results were achieved is of course due to the encouragement given to savings by legislation in recent years and—above all — to the relative stability of prices and money values. But there is no doubt but that the active sponsorship by the banks has also played a great part particularly as the banks are now in a position to contact people a' over the country as their numerous branch offices steadily increase in importance. If the banks did not offer their facilities in practically all population centres, many new immigrants unaccustomed to modern credit and banking, would have continued to use only cash money, and even when saving they would keep their reserves at home instead of placing them at the disposal of the business community through the medium of banks. This point has become of special importance in respect of the local stock exchange. For along with the provident funds the banks have been able to subscribe big amounts of debentures issued by the State, the Jewish Agency, nationalized industries, municipalities etc. and thus channel amounts deposited with them to the most vital tasks in the nation's economy.

Commodities Firmer

THE downward trend in the price of commodities has changed in the past week and prices particularly in base metals were a little dearer. It appears that the Syrian situation caused this recovery.

Reuter's U.K. commodities index stood at 429 as against 427 last week. It was 443 a month ago and 470 a year ago. The American index of Dow Jones for commodity prices stood at 161.16 after 160.19 as against 161.85 a month ago and 162.56 a year ago.

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Use of Electricity Declines This Year

Jerusalem Post Reporter

FOR the first time in many years consumption of electric current did not rise in 1957. In the four-month period March-June this year, total sales of the P.E.C. were 340m. kWh, as compared with 372m. kWh in the corresponding period of 1956, i.e. a decrease of 9 per cent. Use of power for irrigation (76m. kWh) was 3 per cent below last year's level and use of power for industry (119m. kWh) 12 per cent above last year's figure, but the decisive factor was the big drop in the use of electricity for "other purposes," including domestic consumption. This item fell from 187m. kWh to 145m. in the corresponding periods, i.e. by 22 per cent.

The controls imposed during the Sinai crisis were, however, no longer effective in the period under review, and the reduction must therefore be attributed to the changed consumption pattern. As the "other purposes" current brings the PEC the biggest earnings, this drop could not but aggravate the company's financial worries. On the other hand, the unexpected voluntary reduction shows how far seemingly rigid consumption patterns may be changed even at a stable standard of living.

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Employee Suggestion Programme

ATLANTIC CITY (USIS). — THE director of the U.S. Government's incentive awards programme has reported here that employee suggestions and outstanding employee performance saved the Federal Government over $189m. in the 1957 fiscal year. Addressing an annual convention of the National Association of Suggestions Systems—a group of private industry and government administrators — the awards director said the U.S. Government's incentive programme had resulted in savings of $312m. since its inception in 1954.

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LINKED ANNUITIES IN U.S.

IN order to hedge against monetary inflation, a new scheme has been evolved by American life insurance companies. Called the "variable annuity contract," it allows the insurance company to invest the life reserves in purchase of equities, and when the buyer of the annuity is ready to retire he receives, not a fixed annual sum, but a title to his share in the securities in the pool. The scheme was first introduced by the College Retirement Equities Fund, available to University professors since 1952, and by two companies in the District of Columbia, and it is being sponsored by the Prudential Insurance Company. It is, however, opposed by many other companies, led by the Metropolitan Life, both on legal and business grounds. A law suit is now being fought to determine whether the scheme is to be considered insurance or an investment trust which should come under the SEC control.

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